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Sunfonda Group Holdings
SUNFONDA GROUP HOLDINGS LIMITED
新豐泰集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01771)

PROFIT WARNING

This announcement is made by Sunfonda Group Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the consolidated management accounts of the Group and other information currently available to the Board, the Group is expected to record a profit attributable to owners of the parent of approximately RMB81.2 million for the year ended 31 December 2022, representing a decrease of approximately 77% as compared with the profit attributable to owners of the parent for the year ended 31 December 2021.

The expected decrease in the Group’s profit attributable to owners of the parent for the year ended 31 December 2022 as compared with the year ended 31 December 2021 was mainly due to the facts that: (i) the Group recorded one-off investment gains of approximately RMB145.2 million upon disposal of the minority interests in a company which was not engaged in main business for the year ended 31 December 2021, accounting for approximately 31.1% of the profit before tax for the year ended 31 December 2021; and (ii) in 2022, the Group’s operating networks were partly closed for whole month or consecutive months due to the COVID-19 pandemic, which affected the normal operation schedule, and the gross profit margin decreased in response to the market trend.

Shareholders and potential investors should note that the information set out in this announcement is based on a preliminary assessment by the Company based on the consolidated management accounts of the Group and other information currently available to the Company, which have not been audited or reviewed by the Company's auditors or reviewed by the audit committee under the Board.

Shareholders and potential investors should refer to the annual results announcement of the Company (which is expected to be published by the end of March 2023) for details of the financial information of the Group for the year ended 31 December 2022.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Sunfonda Group Holdings Limited
Mr. Wu Tak Lam
Chairman

3 March 2023

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Wu Tak Lam, Ms. Chiu Man, Ms. Chen Wei and Mr. Deng Ning; and three independent non-executive directors, namely, Mr. Liu Jie, Mr. Song Tao and Dr. Liu Xiaofeng.