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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)

VOLUNTARY ANNOUNCEMENT
PROVISION OF GUARANTEE TO A SUBSIDIARY OF THE COMPANY

This announcement is made by Sunfonda Group Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) hereby announces that, on 18 December 2023, Shaanxi Sunfonda Automobile Technology Development Co., Ltd.* (陝西新豐泰汽車技術開發有限公司) (the “**Subsidiary**”), an indirect wholly-owned subsidiary of the Company, entered into a master facilities agreement (the “**Master Facilities Agreement**”) with Shaanxi Branch of Bank of China Limited (中國銀行股份有限公司陝西省分行) (the “**Lender**”) for a term commencing from 18 December 2023 to 8 November 2024. Pursuant to the Master Facilities Agreement, the Subsidiary and the Lender will further enter into separate loan agreement(s) whereby the Lender agrees to provide a loan facility up to the principal amount of RMB300 million (the “**Loan Facility**”).

In consideration of the Master Facilities Agreement and the provision of the Loan Facility by the Lender, the Company will enter into a maximum guarantee contract (the “**Guarantee Contract**”) with the Lender by no later than 31 March 2024, pursuant to which the Company agreed to provide a corporate guarantee (the “**Corporate Guarantee**”) in favour of the Lender in relation to the due performance of the Subsidiary’s obligations under the Master Facilities Agreement and the loan agreement(s) entered into thereunder, including, amongst others, the obligation of repayment of the loan up to the principal amount of RMB300 million and all accrued interests, liquidated damages, damages, costs of realizing the Lender’s rights, losses caused to the Lender due to the Subsidiary’s breach of contract and all other expenses payable by the Subsidiary under the Master Facilities Agreement and the loan agreement(s) entered into thereunder.

The Board is of the view that entering into the Master Facilities Agreement and the Corporate Guarantee is beneficial to the Group as it provides additional financing resources for the business operation of the Subsidiary. The Board considers that the terms of the Master Facilities Agreement and the Guarantee Contract were determined based on arm's length negotiations between the parties, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

To the best of knowledge, information and belief of the directors of the Company having made all reasonable enquiries, each of the Lender and its ultimate beneficial owners is an independent third party of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). The entering into of each of the Master Facilities Agreement and the Guarantee Contract does not constitute any notifiable transaction and/or connected transaction under Chapter 14 and Chapter 14A of the Listing Rules.

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

1 March 2024

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. Song Tao, Dr. Liu Xiaofeng and Dr. Han Qinchun.