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## Fortune Sun (China) Holdings Limited

### 富陽（中國）控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00352)

### ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Fortune Sun (China) Holdings Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**”) together with the comparative figures for 2024 as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
<b>Revenue</b>	4	<b>20,437</b>	1,350
Cost of services rendered		<u>(3,481)</u>	<u>(1,829)</u>
<b>Gross profit (loss)</b>		<b>16,956</b>	(479)
Investment income and other gains and (losses), net	5	<b>790</b>	677
Operating and administrative expenses		<b>(5,555)</b>	(7,711)
Finance cost	6	<u>(354)</u>	<u>(83)</u>
<b>Profit (loss) before tax</b>		<b>11,837</b>	(7,596)
Income tax expense	8	<u>–</u>	<u>–</u>
<b>Profit (loss) for the year attributable to owners of the Company</b>	9	<b>11,837</b>	<b>(7,596)</b>
		<i>RMB cents</i>	<i>RMB cents</i>
<b>Earnings (loss) per share</b>	11		
– Basic		<u><b>4.81</b></u>	<u>(3.09)</u>
– Diluted		<u><b>4.81</b></u>	<u>(3.09)</u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Profit (loss) for the year</b>	<u>11,837</u>	<u>(7,596)</u>
<b>Other comprehensive (expense) income:</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	<u>(178)</u>	<u>64</u>
<b>Other comprehensive (expense) income for the year, net of tax</b>	<u>(178)</u>	<u>64</u>
<b>Total comprehensive income (expense) for the year attributable to owners of the Company</b>	<u><u>11,659</u></u>	<u><u>(7,532)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>416</b>	505
Right-of-use assets		<b>1,317</b>	1,756
Investment properties	12	<b>9,497</b>	9,743
		<b>11,230</b>	12,004
<b>Current assets</b>			
Trade receivables	13	<b>19,830</b>	1,412
Prepayments and other deposits		<b>553</b>	600
Other receivables		<b>33</b>	97
Financial assets at fair value through profit or loss		–	10,000
Bank balances and cash		<b>10,039</b>	3,489
		<b>30,455</b>	15,598
<b>Current liabilities</b>			
Accruals and other payables		<b>6,935</b>	4,000
Lease liabilities		<b>468</b>	434
		<b>7,403</b>	4,434
<b>Net current assets</b>		<b>23,052</b>	11,164
<b>Total assets less current liabilities</b>		<b>34,282</b>	23,168
<b>Non-current liabilities</b>			
Lease liabilities		<b>995</b>	1,463
Loan from a related company	14	<b>17,923</b>	18,000
		<b>18,918</b>	19,463
<b>Net assets</b>		<b>15,364</b>	3,705

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Capital and reserves</b>		
Share capital	24,394	24,394
Reserves	<u>(9,030)</u>	<u>(20,689)</u>
<b>Total equity attributable to owners of the Company</b>	<b><u><u>15,364</u></u></b>	<b><u><u>3,705</u></u></b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. GENERAL INFORMATION

Fortune Sun (China) Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. The address of its principal place of business in Hong Kong is Unit 80, 8/F, Woon Lee Commercial Building, 7–9 Austin Avenue, Tsim Sha Tsui, Hong Kong and its head office is located at Unit 901, 9th Floor, Orient Building, No. 1500 Century Avenue, Pudong New District, Shanghai, the People’s Republic of China (the “**PRC**”). The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 5 July 2006.

The Company is an investment holding company. The Group is principally engaged in property-related business, including the provision of property development, planning, consultancy and sales agency services (including property management services) for the property markets in the PRC.

In the opinion of the Directors of the Company (“**Directors**”), Active Star Investment Limited, a company incorporated in the British Virgin Islands (“**BVI**”), is the ultimate parent and Mr. Chiang Chen Feng and Ms. Chang Hsiu Hua are the ultimate controlling parties of the Company.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). HKFRSs comprise HKFRS Accounting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKAS**”) and Interpretations. These consolidated financial statements also comply with the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Hong Kong Companies Ordinance.

## 3. CHANGES IN NEW ACCOUNTING POLICES EFFECTIVE DURING THE YEAR

### (a) Amendments to an HKFRS that became effective on 1 January 2025

The HKICPA has issued the following amendments to an HKFRS that became effective for the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability
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The application of these amendments to an HKFRS in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

**(b) New and amendments to HKFRSs that have been issued but are not yet effective**

The following new and amendments to HKFRSs have been issued but are not yet effective and have not been early applied by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRSs Amendments	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>3</sup>

<sup>1</sup> Effective date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS mentioned below, the Directors anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

*HKFRS 18 “Presentation and Disclosure in Financial Statements”*

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” (the title of which will be changed to “Basis of Preparation of Financial Statements” upon effective of HKFRS 18) and HKFRS 7 “Financial Instruments Disclosures”. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and consequential amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

#### 4. REVENUE

An analysis of the Group's revenue for the year and disaggregation of revenue from contracts with customers is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Primary geographical markets: PRC		
Property development, planning, consultancy and sales agency service projects, recognised:		
– at a point in time	437	623
– over time	20,000	727
	<u>20,437</u>	<u>1,350</u>

#### 5. INVESTMENT INCOME AND OTHER GAINS AND (LOSSES), NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income on bank deposits	56	115
Loss on disposal of property, plant and equipment	–	(2)
Gain on disposal of investment properties	–	529
Gain on early termination of lease	–	2
Net exchange gain (loss)	25	(17)
(Reversal of allowance) allowance for expected credit loss (“ECL”) on trade receivables, net	496	(438)
Realised gain on disposal of financial assets at fair value through profit or loss	19	25
Government grants ( <i>Note a</i> )	–	18
Recovery of judgement sum ( <i>Note b</i> )	27	–
Sundry income	1	49
	<u>624</u>	<u>281</u>
Gross rental income from investment properties	166	396
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	–	–
Direct operating expenses incurred for investment properties that did not generate rental income during the year	–	–
	<u>166</u>	<u>396</u>
	<u>790</u>	<u>677</u>

Notes:

- (a) During the current year, the Group recognised government grants of Nil (2024: RMB18,000) directly provided by the PRC government.
- (b) During the year ended 31 December 2025, the Group had recovered judgement sum as result of the court judgement against vendors, former customers of the Group.

## 6. FINANCE COST

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on:		
– lease liabilities	64	83
– loan from a related company	290	–
	<u>354</u>	<u>83</u>

## 7. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group operates a single business segment which is engaged in property related business, including the provision of property development, planning, consultancy and sales agency services (including property management services) for the property market in the PRC, and the assets, including investment properties, are substantially located in the PRC. An insignificant portion of the assets is located in another country. Accordingly, there is only one single reportable segment of the Group which is regularly reviewed by the chief operating decision maker.

### Revenue from major customers

Revenue from customers of the corresponding years who contributed over 10% of total revenue of the Group are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A	20,000	–
Customer B	N/A*	727
Customer C	N/A*	278
Customer D	N/A*	243

\* The corresponding revenue did not contribute over 10% of total revenue of the Group.

Saved as disclosed above, no other single customer contributed 10% or more to the Group's revenue.

## 8. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is made since the Company had no assessable profit for both years.

No PRC Enterprise Income Tax has been made in the current year as the taxable profit of the relevant group entities was fully absorbed by the tax losses brought forward.

No PRC Enterprise Income Tax has been made in the last year as the relevant group entities had no assessable profits for the last year. The applicable PRC Enterprise Income Tax is 25% (2024: 25%).

No provision for tax on profit is required for the subsidiary in Cambodia as the subsidiary had no assessable profits for both years. The applicable tax rate in Cambodia is 20% (2024: 20%).

## 9. PROFIT (LOSS) FOR THE YEAR

The Group's profit (loss) for the year is stated after charging (crediting) the following items:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditor's remuneration	400	320
Depreciation of property, plant and equipment	89	90
Depreciation of investment properties	246	246
Depreciation of right-of-use assets	439	457
Loss on disposal of property, plant and equipment	–	2
Net exchange (gain) loss	(25)	17
(Reversal of allowance) allowance for ECL on trade receivables, net	(496)	438

## 10. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

## 11. EARNINGS (LOSS) PER SHARE

### (a) Basic earnings (loss) per share

The calculation of basic earnings (loss) per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately RMB11,837,000 (2024: loss of RMB7,596,000) and the number of ordinary shares of 246,183,390 (2024: 246,183,390) in issue during the year.

### (b) Diluted earnings (loss) per share

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options since the exercise price of the share options was higher than the average market price for shares for the years ended 31 December 2025 and 2024. Therefore, diluted loss per share is the same as the basic earnings per share for the years ended 31 December 2025 and 2024.

## 12. INVESTMENT PROPERTIES

During the year ended 31 December 2025, depreciation of investment properties was approximately RMB246,000 (2024: RMB246,000).

Investment properties with carrying value of RMB365,000 were disposed of during the year ended 31 December 2024 resulting in a gain on disposal of RMB529,000. There were no disposals of investment properties during the year ended 31 December 2025.

## 13. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	24,357	6,460
Less: Allowance for ECL	<u>(4,527)</u>	<u>(5,048)</u>
	<u><b>19,830</b></u>	<u><b>1,412</b></u>

The average credit period granted to customers is 90 days. The Group seeks to maintain strict control over its outstanding receivables. Allowance for ECL is made after the management have considered the timing and probability of the collection on a regular basis.

The ageing analysis of the Group's trade receivables, based on the billing date, and net of allowance for ECL is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0 to 90 days	19,719	279
91 to 180 days	67	9
181 to 365 days	36	18
1 to 2 years	8	680
Over 2 years	<u>–</u>	<u>426</u>
	<u><b>19,830</b></u>	<u><b>1,412</b></u>

Reconciliation of allowance for ECL:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At 1 January	5,048	4,593
(Reversal of allowance) allowance for ECL for the year	(496)	438
Exchange	<u>(25)</u>	<u>17</u>
At 31 December	<u><b>4,527</b></u>	<u><b>5,048</b></u>

At the end of the reporting period, the Group reviewed trade receivables for evidence of impairment on both individual and collective basis. Allowance for ECL recognised for 2025 and 2024 on trade receivables from customers which are mainly experiencing financial difficulties and are in default or delinquency of payments are reviewed and impaired on an individual basis.

All the Group's trade receivables are denominated in RMB.

As at 31 December 2025, trade receivables of approximately RMB111,000 (2024: RMB1,133,000) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Past due but not impaired:		
Within 3 months	<b>67</b>	9
3 to 9 months	<b>36</b>	18
9 to 21 months	<b>8</b>	680
More than 21 months	<b>–</b>	426
	<b>111</b>	1,133

Trade receivables that were past due but not impaired related to a number of customers having a good track record. Based on past experience, the management believes that no further impairment allowance is necessary in respect of these balances as there has been no significant change in credit quality and the balances are still considered fully recoverable.

#### **14. LOAN FROM A RELATED COMPANY**

The loan is unsecured, bears interest at 2.5% per annum and will mature on 31 December 2027 (2024: The loan is unsecured, non-interest bearing and will mature on 31 December 2027). The related company is owned by a director of the Company.

## **BUSINESS REVIEW**

The Group is principally engaged in property-related business, which is the provision of property development, planning, consultancy and sales agency services (including property management services) for the property market in the PRC.

The Group announces that for the year ended 31 December 2025, it recorded a revenue of RMB20,437,000, representing an increase of 1,414% as compared with the year ended 31 December 2024. Profit attributable to equity holders amounted to approximately RMB11,837,000 for the year ended 31 December 2025 as compared to the loss attributable to equity holders of approximately RMB7,596,000 for the year ended 31 December 2024. The sharp turnaround of the Group's results is mainly attributable to the secured various new binding contracts including a high-value contract which the project is located in Foshan and consists of two phases, with an expected project duration of two years.

### **Navigating Challenging Market Dynamics and Breaking the Mold**

After a thorough assessment of intensifying competitive pressures and diminishing margins in saturated markets, the Group is strategically pivoting from a Red Ocean approach, characterized by fierce rivalry, incremental gains, and head-to-head battles for existing demand, to a Blue Ocean strategy. This transition prioritizes value innovation by creating uncontested market spaces, where the Group can simultaneously pursue differentiation and cost efficiency to unlock new demand and make competition irrelevant.

### **Expanded Workforce and Appointment of the Chief Operating Officer**

During the Year, the workforce has also been expanded to 30 employees, including management, business origination, research, sales and back-office team members, with more targeted hires in sales and consultancy roles.

In 2025, the Group appointed Mr. Zhang Cheng as its chief operating officer, who is primarily responsible for market coverage, business originations and operational development in the PRC. Mr. Zhang holds a master's degree in accounting from Soochow University and is a Certified Public Accountant in China. He possesses over 17 years of experience in auditing, risk management, and operations.

Under the leadership of the newly appointed chief operating officer, this has successfully led to improved sales cooperation, enhanced operational efficiencies, and a turnaround of financial results in the Group's property-related business operations.

## **Foshan Project – Current Year Primary Revenue Driver**

For the year ended 31 December 2025, the Group's revenue from property-related business amounted to approximately RMB20,437,000 (2024: RMB1,350,000). Of this, RMB20,000,000 was generated from property consultancy services for the major project in Foshan, which typically yields a significantly higher profit margin compared to the sales agency service. The RMB437,000 recognised in 2025 and the entire RMB1,350,000 recognised in 2024 were derived from other consultancy and sales agency services projects.

The Foshan project comprises two phases with an expected duration of two years. The first phase includes various villas with a total gross floor area of approximately 19,000 sq.m. Located in a well-established residential district with comprehensive public facilities and excellent transportation networks, the project targets upgrading and premium buyers who value privacy, exclusivity and convenience. The combination of mature surrounding amenities, strong connectivity and a phased sales strategy is expected to facilitate steady sell-through rates while maintaining premium pricing.

Following the issuance of the pre-sale permit, the Group will provide sales agency services for the project. Should the first phase achieve the expected sales performance, the Company anticipates being awarded an exclusive contract for the second phase, which is currently under construction and has a similar gross floor area of approximately 20,000 sq.m.

## **PROSPECTS AND OUTLOOKS**

### **The Worst is Over for the Property Market**

#### *The PRC real estate market overview*

In 2025, PRC real estate market showed early signs of recovery. Economic growth, urbanization, and rising living standards in the PRC continue to fuel demand for properties, though the sector faces headwinds from regulatory tightening and affordability pressures. The real estate industry remains closely tied to overall economic expansion, including residents' growing purchasing power and demand for residential, commercial, and industrial spaces.

The industry is anticipated to face both fresh opportunities and challenges in 2026. As the economy steadily recovers, it is expected that consumer confidence will improve, leading to a corresponding increase in market demand. With ongoing government assistance and market adjustments, housing prices are expected to remain stable. It is believed that the real estate market will experience healthier turnover, allowing for considerable room for the Group's business growth. The Group will persist in concentrating on the property sector, enhance its presence in key city clusters, and aim for vigorous development.

## **Strategic Priorities**

As the Group looks ahead, its strategic priorities are firmly centered on capitalising on the recovery of the PRC property market while proactively adapting to evolving industry dynamics. The Group remains cautiously optimistic about the outlook, closely monitoring the following three key developments that may shape the market landscape:

1. **Pace of Market Recovery:** The Group will closely monitor the pace of the property market's recovery in PRC, as a sustained rebound is crucial for the Group to maintain a positive trajectory. In 2025, the PRC's real estate market showed early signs of recovery. However, the prospective trajectory is uncertain as the economic policies of the current U.S. President is highly unpredictable. If tariff imposition rekindles the inflation scare, the impacts of forthcoming interest rate trend on the market will be hard to ascertain, which might affect the PRC property market.
2. **Value innovation and the reconstruction of market boundaries:** Align with its Blue Ocean strategy, the Group continuing to target potential customers in emerging segments such as the distressed assets sector, and foster long-term profitable growth while reducing risks from cutthroat competition. At the same time, the Group will strive to cut operating expenses by means of strengthening budget management and cost control, so as to pursue long-term development for the Group and preservation of value to the shareholders of the Company.
3. **Developers' Sales Strategies:** The Group anticipates that developers will continue to speed up the pace of offloading inventories, pursuing a volume-driven strategy in the near term, creating a relatively favourable environment for the business of property consultancy and agency services.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2025, the Group had net current assets of approximately RMB23,052,000 (2024: RMB11,164,000), total assets of approximately RMB41,685,000 (2024: RMB27,602,000) and equity attributable to owners of the Company of approximately RMB15,364,000 (2024: RMB3,705,000).

As at 31 December 2025, the fixed bank deposits and bank and cash balances of the Group amounted to approximately RMB10,039,000 (2024: RMB3,489,000), of which approximately RMB6,270,000 were denominated in Renminbi, RMB1,229,000 were denominated in US dollars and RMB2,540,000 were denominated in Hong Kong dollars.

## **BANK BORROWINGS AND OVERDRAFTS**

The Group had no bank borrowings or overdrafts as at 31 December 2025 (2024: Nil).

## **INDEBTEDNESS AND CHARGE ON ASSETS**

As at 31 December 2025, the Group did not have any short term borrowing (2024: Nil) and had long term borrowing of RMB17,923,000 (2024: RMB18,000,000) which will mature on 31 December 2027.

As at 31 December 2025, the Group had total borrowing of RMB17,923,000, which was unsecured. The gearing ratio of the Group (calculated on the basis of total bank and other borrowings over total equity) was 116.7% (2024: 485.8%).

As at 31 December 2025, there was no charge over any assets of the Group.

## **FOREIGN EXCHANGE RISKS**

As the Group's sales are denominated in Renminbi, the Group's purchases and expenses are either denominated in Renminbi, United States dollar or Hong Kong dollar, and there is no significant foreign currency borrowings, the Group's currency fluctuation risk is considered insignificant. The Group currently does not have a foreign currency hedging policy. However, the management continuously monitors the foreign exchange risk exposure and will consider to hedge significant currency risk exposure should the need arise.

## **MATERIAL ACQUISITIONS AND DISPOSALS**

As at 31 December 2024, the Group has subscribed for wealth management products offered by two licensed banks established under the laws of the PRC and both are listed on the Shanghai Stock Exchange which constituted Major Transactions (as defined under the Listing Rules). As at 31 December 2025, the entire principal amount subscribed for the unlisted wealth management products has been fully redeemed.

For details, please refer to the announcement of the Company dated 7 July 2025.

## **MAJOR INVESTMENTS**

As at the date of this announcement, the Group has no future plans for material investments or capital assets.

## **INTEREST RATE RISKS**

The Group's exposure to interest rate risk mainly stemmed from fluctuations of interest rates for the Group's bank balances and other borrowings with fixed interest rate, as the Group had no bank borrowings as at 31 December 2025 (2024: Nil).

## **STAFF AND THE GROUP'S EMOLUMENT POLICY**

As at 31 December 2025, the Group had a total of 30 staff (2024: 25 staff). The Group recorded staff costs (excluding directors' remuneration) of approximately RMB5,271,000 (2024: RMB3,697,000) during the year ended 31 December 2025.

The emolument policies of the Group are formulated based on the Group's operating results, employees' individual performance, working experience, respective responsibility, merit, qualifications and competence, as well as comparable market statistics and state policies. The emolument policies of the Group are reviewed by the management of the Group regularly.

## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 31 December 2025 (2024: Nil).

## **CAPITAL COMMITMENTS**

The Group had no material capital commitments as at 31 December 2025 (2024: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

To ascertain Shareholders' entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on 26 June 2026, the register of members of the Company will be closed from Monday, 22 June 2026 to Friday, 26 June 2026 (both days inclusive) during which period no transfer of shares will be registered.

In order to qualify for attending and voting at the forthcoming annual general meeting of the Company (the "2026 AGM"), all share transfer documents accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, being the Company's branch share registrar and transfer office in Hong Kong, for registration no later than 4:30 p.m. on Thursday, 18 June 2026.

## **PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY**

The Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company during the year ended 31 December 2025.

## **CORPORATE GOVERNANCE PRACTICES**

The Company recognises the importance of good corporate governance to its healthy growth, and is committed to adopting appropriate corporate governance practices that meet its business needs.

The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the Corporate Governance Code (the “CG Code”) as set out in Part 2 of Appendix C1 to the Listing Rules. Save for the deviation from code provision C.2.1 of the CG Code in force during the year ended 31 December 2025 as disclosed below, the Directors consider that the Company has complied with the code provisions set out in the CG Code during the year ended 31 December 2025.

Pursuant to code provision C.2.1 of the CG Code, the responsibilities of the chairman and chief executive should be separate and should not be performed by the same individual. For the year under review, the Company did not have a separate chairman and chief executive, with Mr. Chiang Chen Feng performing these two roles. The Board believes that vesting both the roles of chairman and chief executive in the same person has the benefit of ensuring consistent leadership within the Group, and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and such structure will enable the Company to make and implement decisions promptly and efficiently.

Reference is made to the Announcement of the Company dated 7 July 2025, which details of the the subscriptions of wealth management products by members of the Group constituted Major Transactions, as the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the subscriptions of wealth management products offered by the relevant banks, taking into account the acquisition costs of the wealth management products under the relevant subscriptions, exceeds 25%, such subscriptions of wealth management products constituted Major Transactions of the Company and should have been subject to the reporting, announcement and Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

To prevent similar incidents in the future, the Company has adopted the following measures:

- I) issued an internal memo to all directors and department heads on notifiable transaction requirements under Chapter 14, in particular relating to the subscription of wealth management products, and reminded them that subscriptions of wealth management products are not exempted from Chapter 14 of the Listing Rules;
- II) arranged training sessions on Chapter 14 requirements to all directors, department heads and relevant personnel during the Year. The compliance department also organised at least one internal compliance training session annually, covering wealth management product risks and the latest Listing Rules requirements; and

III) enhanced its internal control system by implementing a pre-approval mechanism for all investment-related activities, including wealth management products, financial products and funds. The finance department, which handles the treasury functions, will prepare and submit an “Investment Application Form” for all proposed investments. The compliance department, comprising an executive director and the company secretary with legal and accounting background and experience in Listing Rules compliance and corporate governance, will review the Investment Application Form and assess each investment under Chapters 14/14A to determine whether it triggers disclosure and/or shareholders’ approval requirements. The Investment Application Form must be approved by the board of directors prior to the execution of any proposed transaction. Also, the compliance department will conduct semi-annual reviews of all internal reporting and approval processes and will engage external professional advisers to conduct independent reviews if necessary.

Looking forward, we will continue to conduct reviews on our corporate governance practices from time to time to ensure compliance with the CG Code.

## **MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding the Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix C3 of the Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code and the Company’s code of conduct during the year ended 31 December 2025.

## **IMPORTANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR**

### **Suspension of trading on the Stock Exchange**

Trading in the Shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on 9 September 2025 and will remain suspended until the fulfillment of the resumption guidance as specified by the Stock Exchange.

### **Resumption guidance**

On 12 September 2025, the Company received a letter from the Stock Exchange setting out the following guidance for the resumption of trading in the Shares (the “**Resumption Guidance**”):

- (i) demonstrate its compliance with Rule 13.24; and
- (ii) inform the market of all material information for the Shareholders and investors to appraise the Company’s position.

For details regarding the Resumption Guidance, please refer to the announcement of the Company dated 17 September 2025.

### **Progress of fulfillment of the Resumption Guidance**

As at the date of this announcement, the Company has appointed a financial advisor and submitted a resumption proposal (the “**Resumption Proposal**”) to the Stock Exchange in support of the resumption of trading of the Shares. The Resumption Proposal sets out, among other things, the latest business operation and financial performance of the Company to demonstrate its compliance with Rule 13.24 of the Listing Rules.

As at the date of this announcement, the Group has successfully revitalized its original principal activities by securing several binding new revenue contracts. The workforce has also been expanded, including management, business origination, research, sales and back-office team members. These efforts together establish a sustainable revenue trajectory, thereby restoring operational viability and scale, as well as effective control on them. Moreover, to demonstrate business of substance, the company’s origination team is advancing new business opportunities and is building up a good reserve of pipeline projects in the coming future.

For further details, please refer to the quarterly update announcements of the Company dated 8 December 2025 and 13 March 2026.

### **Important events subsequent to the financial year**

Save for the matters disclosed herein, as of the date of this announcement, there were no important events after 31 December 2025 that might have a material impact on our operations and financial results.

### **REVIEW BY AUDIT COMMITTEE**

Pursuant to the requirements of the CG Code and Rule 3.21 of the Listing Rules, the Company has established an audit committee (the “**Audit Committee**”) of the Board with written terms of reference and comprising all three independent non-executive Directors.

The Audit Committee was set up for the purposes of reviewing and supervising the financial reporting process and internal control procedures of the Group and regulating the financial reporting procedures, internal controls and risk management system of the Group. It is responsible for making recommendations to the Board for the appointment, reappointment or removal of the external auditor; reviewing and monitoring the external auditor’s independence and objectivity, as well as reviewing and monitoring the effectiveness of the audit process to make sure that the same is in full compliance with applicable standards.

The Audit Committee has reviewed the Group’s annual financial statements for the year ended 31 December 2025. The Audit Committee has also reviewed the accounting principles adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters.

## **SCOPE OF WORK OF CONFUCIUS INTERNATIONAL CPA LIMITED**

The figures in respect of this announcement of the Group's results for the year ended 31 December 2025 have been agreed by the Group's independent auditor, Confucius International CPA Limited, to the amounts set out in the Group's audited consolidated financial statements and the related notes thereto for the year ended 31 December 2025. The work performed by Confucius International CPA Limited in this respect did not constitute an assurance engagement in accordance with the Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the HKICPA and consequently, no assurance has been expressed by Confucius International CPA Limited on this preliminary announcement.

## **PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT**

This annual results announcement is published on the Company's website ([www.fortune-sun.com](http://www.fortune-sun.com)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)). The annual report of the Company for the year ended 31 December 2025 will be dispatched to the shareholders of the Company and will be made available on the website of the Company and the Stock Exchange in due course.

## **2026 ANNUAL GENERAL MEETING**

It is proposed that the 2026 AGM will be held on 26 June 2026. A notice convening the 2026 AGM will be published on the Company's website ([www.fortune-sun.com](http://www.fortune-sun.com)) and the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and will be dispatched to the shareholders of the Company accordingly.

By order of the Board  
**Fortune Sun (China) Holdings Limited**  
**Chiang Chen Feng**  
*Chairman*

Hong Kong, 31 March 2026

*As at the date of this announcement, the executive Directors are Mr. Chiang Chen Feng, Ms. Chang Hsiu Hua and Ms. Wang Jia; the non-executive Director is Ms. Lin Chien Ju; and the independent non-executive Directors are Mr. Cui Shi Wei, Mr. Lam Chun Choi and Mr. Chow Yiu Ming.*