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KONG SUN HOLDINGS LIMITED
江 山 控 股 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

PROFIT WARNING

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

The board of directors (the "**Director(s)**") of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on the preliminary review of the Group's unaudited consolidated management accounts for the six months ended 30 June 2018, the Group expects the unaudited consolidated profit attributable to owners of the Company for the six months ended 30 June 2018 to decrease compared to RMB63,987,000 for the corresponding period in 2017.

Based on the information currently available, the expected decrease in the unaudited consolidated profit attributable to the owners of the Company was mainly attributable to, among other things, the increase in finance costs incurred for the six months ended 30 June 2018 compared to the corresponding period in 2017 and the increase in loss on fair value changes on financial assets held for trading compared to the corresponding period in 2017.

The Company is still in the process of finalising the interim results of the Group for the six months ended 30 June 2018. The information contained in this announcement is only a preliminary assessment by the management of the Company based on information currently available to the Company, and is not based on any figure or information which has been audited or reviewed by the independent auditors of the Company nor approved by the audit committee of the Company. The actual results of the Group for the six months ended 30 June 2018 may be different from the financial information disclosed herein.

Shareholders and potential investors of the Company are advised to read carefully the interim results announcement of the Company for the six months ended 30 June 2018, which is expected to be published before the end of August 2018. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Kong Sun Holdings Limited
Mr. Zeng Jianhua
Chairman

Hong Kong, 6 July 2018

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Zeng Jianhua, Mr. Hou Yue, Mr. Deng Chengli and Mr. Jin Yanbing, two non-executive directors, namely, Mr. Wu Tak Kong and Mr. Wang Ke, and three independent non-executive directors, namely, Mr. Miu Hon Kit, Mr. Chen Kin Shing and Ms. Wang Fang.