Fu Shou Yuan International Group Limited
福壽園國際集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1448)

PROFIT WARNING

This announcement is made by Fu Shou Yuan International Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment by the management of the Company of the unaudited consolidated management accounts (the "**Unaudited Management Accounts**") of the Group for the six months ended June 30, 2025 (the "**Reporting Period**") currently available, the Group is expected to record a loss attributable to owners of the Company for the Reporting Period for the amount of approximately RMB235 million to 265 million, as compared to the profit attributable to owners of the Company of approximately RMB298.8 million for the six months ended June 30, 2024. The Board believes that the decrease is mainly due to: (1) short-term performance pressure on the Group due to macroeconomic headwinds and cautious customer spending; (2) increased tax expenses incurred by certain subsidiaries of the Company due to variable tax factors; and (3) impairment provisions recognized against the goodwill and related assets of certain subsidiaries, which were determined under prevailing accounting standards after giving due consideration to the operating condition and financial performance in the current period and the future market outlook.

Despite pressures from cyclical adjustments during the Reporting Period, the Group demonstrated robust operational resilience through forward-looking strategic planning and precise cost control measures. By proactively addressing market challenges and fortifying profitability moats, it enabled the Group to maintain a relatively high profit margin after deducting non-recurring gain or loss items. Moving forward, the Group will continue to optimize operational management, enhance service efficiency, actively implement public benefit policies, and accelerate technology adoption while building an intelligent service ecosystem. These initiatives will solidify our leadership in funeral technology innovation. Concurrently, the Group will maintain healthy cash flows and a sound financial structure to ensure continuity and stability in profit distributions. This approach sustains shareholder returns along a high-growth trajectory, ultimately building an enterprise with enduring long-term investment value.

As of the date of this announcement, the Company is still finalizing the consolidated financial data of the Group for the six months ended June 30, 2025. The information contained in this announcement is based on a preliminary assessment made by the Company's management with reference to currently available information, including the Unaudited Management Accounts of the Group for the six months ended June 30, 2025. These management accounts have not been audited or reviewed by the Company's auditors or reviewed by the audit committee of the Company and are subject to finalization and necessary adjustments, if any. Shareholders and potential investors of the Company are advised to carefully review the interim results announcement of the Group for the six months ended June 30, 2025, which is expected to be published by end of August 2025.

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
Fu Shou Yuan International Group Limited
Bai Xiaojiang
Chairman and Executive Director

Hong Kong, August 5, 2025

As at the date of this announcement, the executive Directors are Mr. Bai Xiaojiang, Mr. Tan Leon Li-an and Mr. Wang Jisheng; the non-executive Directors are Mr. Lu Hesheng, Mr. Huang James Chih-Cheng and Ms. Zhou Lijie; and the independent non-executive Directors are Mr. Luo Zhuping, Mr. Ho Man, Ms. Liang Yanjun and Mr. Chen Xin.