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Wing Fung Group Asia Limited

榮豐集團亞洲有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8526)

INSIDE INFORMATION PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by Wing Fung Group Asia Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PLACING OF EXISTING SHARES

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has been informed by Wing Fung Capital Limited (“**Wing Fung BVI**”), a controlling shareholder (as defined in the GEM Listing Rules) of the Company and owned as to 78.87% by Mr. Chung Chi Keung, an executive Director, the chairman of the Board and the chief executive officer of the Company, that on 5 November 2020 (after trading hours), Wing Fung BVI has entered into a placing agreement (the “**Placing Agreement**”) with Prudential Brokerage Limited (the “**Placing Agent**”). Pursuant to the Placing Agreement, the Placing Agent has agreed to procure investor(s) (the “**Placee(s)**”) on a best effort basis to purchase 18,250,000 existing shares of the Company (the “**Shares**”) held by Wing Fung BVI (the “**Placing Shares**”), representing approximately 3.18% of the total issued share capital of the Company as at the date of this announcement, at a price of HK\$0.40 per Placing Share (the “**Placing**”).

Pursuant to the Placing Agreement, the Placing Agent shall place the Placing Shares to not less than 50 Placees, and none of the Placees shall be placed more than 1,000,000 Placing Shares. The Placing Agent undertakes that it shall ensure that the Placees and their ultimate beneficial owners are third parties who, to the best of the knowledge and belief of the Placing Agent, are independent of and not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with Wing Fung BVI, the directors, chief executives, senior management or substantial shareholders of the Company, its subsidiaries or any of their respective associates (as defined under the GEM Listing Rules) or any persons acting in concert with it/them, and are not connected persons (as defined under the GEM Listing Rules) of the Company.

CHANGE IN SHAREHOLDING OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon completion of the Placing (assuming all the Placing Shares are placed in full and there will be no other changes to the issued share capital of the Company between the date of this announcement and the completion of the Placing):

	Shareholding as at the date of this announcement		Shareholding immediately upon completion of the Placing (assuming all the Placing Shares are placed in full)	
	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>
Wing Fung BVI	430,500,000	75.00	412,250,000	71.82
Public shareholders	<u>143,500,000</u>	<u>25.00</u>	<u>161,750,000</u>	<u>28.18</u>
Total	<u>574,000,000</u>	<u>100.00</u>	<u>574,000,000</u>	<u>100.00</u>

Immediately upon completion of the Placing (assuming all the Placing Shares are placed in full and there will be no other changes to the issued share capital of the Company between the date of this announcement and the completion of the Placing), Wing Fung BVI will be interested in approximately 71.82% of the total issued share capital of the Company and will continue to be the controlling shareholder (as defined in the GEM Listing Rules) of the Company. The Company does not expect that the Placing will have any adverse effect on the operations of the Company and its subsidiaries.

As the Placing may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Wing Fung Group Asia Limited
Chung Chi Keung

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 5 November 2020

As at the date of this announcement, the executive Directors are Mr. Chung Chi Keung and Ms. Lai Suk Fan; and the independent non-executive Directors are Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Lai Wai Ming.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.