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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)

PROFIT WARNING

This announcement is made by Wing Fung Group Asia Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) 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.

Based on the information currently available to the board (the “**Board**”) of directors (the “**Directors**”) of the Company and upon the preliminary review of the latest unaudited consolidated management accounts of the Group, the Board wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that the Group expects to record a decrease in the revenue of the Company of at least 15% for the year ended 31 December 2021 (the “**Relevant Period**”) as compared to the corresponding period of 2020. The Group also expects to record a net loss of at least approximately HK\$20.0 million, for the Relevant Period as compared to the net profit of approximately HK\$22.6 million in the corresponding period of 2020.

The Board believes that, certain key factors as set out in the announcement dated 15 October 2021 of the Company regarding the financial performance for the nine months ended 30 September 2021 have continued to impact the performance of the Group in the fourth quarter of 2021 leading to a decrease in the revenue and expected net loss during the Relevant Period and these factors are as follows:

- (i) prolonged completion of various projects of the Group which led to overrun of project cost and resulted in significant decrease in the Group’s expected gross profit margin of the projects; and

- (ii) a drop in number of ongoing projects undertaken by the Group where were revenue generating during the Relevant Period which drove down the Group's revenue recognised during the Relevant Period.

The Company is in the process of finalising the Group's annual results for the Relevant Period. The information contained in this announcement is only a preliminary assessment by the Board of the information currently available to it and the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company's auditors. The Group's financial results for the Relevant Period will be disclosed in the annual results announcement of the Company to be released by end of March 2022.

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
Wing Fung Group Asia Limited
Chung Chi Keung
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 7 March 2022

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 of the Company 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 of the Company, 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.