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## **WAI HUNG GROUP HOLDINGS LIMITED**

### **偉鴻集團控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3321)**

## **HIGH CONCENTRATION OF SHAREHOLDING**

This announcement is made at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a limited number of Shareholders as at 2 July 2020.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

This announcement is made by Wai Hung Group Holdings Limited (the “**Company**”) at the request of the Stock Exchange in respect of the concentration of the shareholding of the Company in the hands of a limited number of shareholders of the Company (the “**Shareholders**”) as at 2 July 2020.

## **HIGH CONCENTRATION OF SHAREHOLDING**

The Company noted that an announcement (the “**SFC Announcement**”) has been published by the Securities and Futures Commission of Hong Kong (the “**SFC**”) on 16 July 2020.

As disclosed in the SFC Announcement, the SFC has recently completed an enquiry into the shareholding of the Company. The SFC’s findings suggested that, as at 2 July 2020, a group of 18 Shareholders held an aggregate of 92,865,000 shares in the Company (the “**Shares**”), representing approximately 18.57% of the issued Shares. Such shareholding, together with the 377,562,500 Shares (representing approximately 75.51% of the issued Shares) held by the Controlling Shareholder and Mr. Leong Lap Kun, represented approximately 94.08% of the issued Shares as at 2 July 2020. Therefore, only 29,572,500 Shares (representing approximately 5.92% of the issued Shares) were held by other Shareholders.

As set out in the SFC Announcement, as at 2 July 2020, the shareholding structure of the Company was as follows:

	<b>Number of Shares held (Shares)</b>	<b>Percentage of total number of issued Shares (%)</b>
Mr. Li Kam Hung ( <i>Note 1</i> )	337,500,000	67.50
Mr. Leong Lap Kun ( <i>Note 2</i> )	40,062,500	8.01
A group of 18 Shareholders	92,865,000	18.57
Other Shareholders	<u>29,572,500</u>	<u>5.92</u>
<b>Total</b>	<b><u>500,000,000</u></b>	<b><u>100.00</u></b>

*Note 1:* The Shares of Mr. Li Kam Hung are held by Copious Astute Limited. Mr. Li Kam Hung is the sole shareholder of Copious Astute Limited and is the Chairman and Chief Executive Officer of the Company.

*Note 2:* The Shares of Mr. Leong Lap Kun are held as to 40,010,000 shares by Fresh Phoenix Limited and 52,500 shares by Shining Holdings Limited. Fresh Phoenix Limited and Shining Holdings Limited are wholly owned by Mr. Leong Lap Kun.

As stated in the SFC Announcement:

- (1) The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 23 April 2019 by way of placing and public offer of a total of 125,000,000 shares (representing 25% of the issued Shares) at HK\$1.40 per share.
- (2) During the period from 23 April 2019 to 27 March 2020, the closing price of the Shares was within the range of HK\$0.75 to HK\$1.53. Since then, the closing price of the Shares increased 295% from HK\$0.86 on 27 March 2020 to HK\$3.40 on 2 July 2020. On 30 June 2020, the price of the Shares has reached a high of HK\$4.38, then fell to a low of HK\$1.40 before closing at HK\$3.15 that day.
- (3) As at 15 July 2020, the closing price of the Shares was HK\$3.12, representing an increase of 263% from the closing price of HK\$0.86 on 27 March 2020.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to clarify that the above information is extracted from the SFC Announcement and the Board has not independently verified such information. Accordingly, the Board is not in a position to comment on the accuracy of the above information except for (i) the shareholding of Mr. Li Kam Hung in the Company through Copious Astute Limited and the shareholding of Mr. Leong Lap Kun in the Company through Fresh Phoenix Limited and Shining Holdings Limited, based on the latest available disclosure of interests notices filed pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (ii) the information set out in paragraphs (1) to (3) above. Please refer to the SFC Announcement for more information.

## **PUBLIC FLOAT**

Based on the information available and to the best knowledge of the Board after making all reasonable enquiries, the Company confirms that not less than 25% of the issued Shares were and are held in public hands as at 2 July 2020 and the date of this announcement respectively, and the Company is able to comply with the public float requirement under the Rules Governing the Listing of Securities on the Stock Exchange.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares. Further, as a result of the high concentration of shareholding, the Company’s securities may not have a genuine market or its shareholding may have been concentrated in the hands of a few Shareholders.**

By order of the Board  
**Wai Hung Group Holdings Limited**  
**Mr. Li Kam Hung**  
*Chairman*

Hong Kong, 16 July 2020

*As at the date of this announcement, the Board comprises Mr. Li Kam Hung, Mr. Yu Ming Ho and Mr. Yau Yan Ming Raymond as executive Directors, Mr. Li Chun Ho and Mr. Zhu Jun as non-executive Directors, and Ms. Rita Botelho dos Santos, Mr. Wu Chou Kit and Mr. Lam Chi Wing as independent non-executive Directors.*