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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)

VOLUNTARY ANNOUNCEMENT IN RELATION TO COOPERATION AGREEMENT ON CONSTRUCTION OF SMART PARKING SPACES IN THE MIDDLE EAST COUNTRIES

The board (the “**Board**”) of directors (the “**Directors**”) of Wai Hung Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that on 8 March 2021, Investment Projects General Trading Company (“**IPGT**”) and Wai Hung Hong Construction Engineering Limited (“**WHHCE**”), an indirect wholly-owned subsidiary of the Company, entered into a cooperation agreement (the “**Cooperation Agreement**”), pursuant to which, among others, (i) the parties intend to cooperate in establishing and developing artificial intelligence garage systems in Several Middle East countries (the “**MiddleEast Countries**”); and (ii) within the term of the Cooperation Agreement (i.e. 5 years), the parties shall not cooperate with any third party in providing artificial intelligence garage system in the MiddleEast Countries.

The Group intends to achieve a long-term objective to build facilities for approximately 1 million smart parking spaces and provide relevant construction services for the proposed urban property project in the MiddleEast Countries to be developed with IPGT (the “**Middle East Project**”), subject to the terms of the actual purchase agreement or order contract.

IPGT is a company incorporated in the State of Kuwait. IPGT is principally engaged in the business of infrastructure and high-tech products and systems in the Middle East. The shareholders and key member of the management of IPGT include Sheikh Ali Khalifa Al-Sabah (“**Sheikh Ali**”), a member of Kuwait’s royal family who served as the finance minister and oil minister of Kuwait and the chairman of the Organization of the Petroleum Exporting Countries and has substantial business resources in the Middle East.

The Group is of the view that due to the large number of motor vehicles imported every year and the increasing sales and motor vehicles per capita in the Middle East, where motor vehicles are a major means of transportation, with some of the countries having a rate of over 500 vehicles per 1,000 people and ranking among the top in the world, the potential demand for parking spaces in the Middle East is rising. Given the Group’s intention to develop smart garage through the newly developed fast-assembly multi-storey stereoscopic and mechanical parking technology, namely, the smart garage, which will create significantly more storage capacity in limited spaces, with a view to enhancing the quality of the Middle East Project.

The cooperation between the Group and IPGT is to aim at fulfilling a long-term objective in building facilities for approximately 1 million smart parking spaces in nine countries in the MiddleEast Countries, i.e., the six countries in the Gulf Cooperation Council (namely, Saudi Arabia, Qatar, Kuwait, Bahrain, Oman, and the United Arab Emirates), Egypt, Iraq and Jordan, subject to the terms of the actual purchase agreement or order contract.

The Board is of the view that such cooperation with IPGT will further diversify the Group's business scope and source of income as a whole. The total contract sum of the Middle East Project, if materialised fully, could reach over HK\$100 billion. It may also facilitate cooperation between the Company and major enterprises in Japan, Korea and the People's Republic of China that are interested in infrastructure projects in the Middle East.

Through the cooperation with IPGT which is led by Sheikh Ali to build approximately 1 million smart parking spaces in the MiddleEast Countries, the Group is expected to establish a leading position in the industry upon completion of the project.

The Board wishes to emphasise that the Cooperation Agreement only sets out the preliminary cooperation intention of the Group and IPGT, which does not constitute any substantive right and obligation of any parties thereto and is therefore subject to further formal agreement(s) and/or arrangement(s) to be entered into by the parties, which may or may not materialise. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, IPGT and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

The Board wishes to emphasise that a definitive agreement may or may not be entered into by the parties and as such the aforesaid cooperation may or may not proceed. Shareholders of the Company and investors are reminded to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 8 March 2021

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.