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**Wenye Group Holdings Limited**
**文業集團控股有限公司**
*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 1802)**

# BUSINESS UPDATE

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

The board of directors of the Company (the "**Board**") hereby informs the shareholders of the Company (the "**Shareholders**") and potential investors that the Board is of the view that, based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (the "**Management Accounts**") and the information currently available to the Board, the Group is expected to record decreases in its income and gross profit, both by approximately 20% as compared with the year ended 31 December 2019. Such decrease was mainly due to the implementation of precautionary and control measures (such as quarantine, lockdown and travel restrictions) by the government authorities after the outbreak of novel coronavirus COVID-19 in the first half of 2020, resulting in the delay in work schedules of the Group's projects as well as the shortage of labor force and materials in areas where certain of the Group's projects were located (collectively the "**Adverse Factors**").

On the other hand, based on the Management Accounts and the information currently available to the Board, the impact of the Adverse Factors has receded in the second half of 2020. As disclosed in the announcement of the Company dated 11 December 2020, the Group recorded growth in its revenue and net profit attributable to the Shareholders in the third quarter of 2020. The Board is of the view that, even with the above Adverse Factors, the Group is expected to record profit attributable to the Shareholders for the year ended 31 December 2020.

It should be noted that the Group has yet to finalize its results for the year ended 31 December 2020. The information contained in this announcement is solely based on the information currently available to the Group and the Board's preliminary assessment of the Management Accounts, which were not audited or reviewed by the Company's auditors. As such, the final results of the Group for the year ended 31 December 2020 may be different from the disclosure contained in this announcement. Shareholders and potential investors are therefore advised to read carefully the preliminary results announcement of the Company for the year ended 31 December 2020 to be published before the end of March 2021.

**Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board
**Wenye Group Holdings Limited**
**Fan Shaozhou**
*Chairman*

Shenzhen, the PRC, 9 March 2021

*As at the date of this announcement, the executive directors of the Company are Mr. Fan Shaozhou, Mr. Wan Neng and Mr. Peng Weizhou; the non-executive directors of the Company are Mr. Deng Guanghui and Mr. Chen Li; and the independent non-executive directors of the Company are Ms. Huang Guiqing, Mr. Liu Xiaoyi and Mr. Liu Ziping.*