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WWPKG Holdings Company Limited

縱橫遊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8069)

PROFIT WARNING

This announcement is made by WWPKG Holdings Company Limited (the “**Company**”, 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). The board of directors (the “**Directors**”) of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the three months ended 30 June 2020, the Group is expected to record a decline in revenue by approximately 98% as compared to the revenue recorded in the last corresponding period of approximately HK\$73.6 million and an increase in the unaudited consolidated loss for the three months ended 30 June 2020 by approximately 91% as compared to the unaudited consolidated loss recorded in the last corresponding period of approximately HK\$3.2 million.

The expected increase in loss is due to the outbreak of the coronavirus disease 2019 (“**COVID-19**”), which have significantly impacted the operations of the Group since January 2020. The Group’s business operations have been heavily disrupted by the travel restrictions imposed by nations of its own and across the world. Owing to the pandemic, on the supply side, majority of the Group’s airline suppliers have been operating bare skeleton or limited passenger flight schedules. The Group began to cancel its outbound package tours, starting with those departing for China on 26 January 2020, while package tours bound for Japan have been cancelled since 9 March 2020. Given the Group derives a majority of its revenue from the provision of outbound package tours and with its particular focus on Japan-bound tours, the above-mentioned restrictions, together with the low sentiment for leisure travel, have adversely affected the revenue and hence financial performance of the Group for the three months ended 30 June 2020.

The Group has been closely monitoring the development of the pandemic and market conditions and has adjusted its business strategies in a timely manner to mitigate the impact of COVID-19 on the Group's business operations. Various proactive measures have been taken, including but not limited to (i) implementing salary reduction for the Directors; (ii) streamlining workflows and eliminating non-value added positions or activities; (iii) encouraging employees to take no-pay leave and/or annual leave; (iv) obtaining rent concessions on certain branch and office premise leases from the landlords; (v) reducing advertising and promotion expenses; and (vi) obtaining funding from the Employment Support Scheme under the Anti-epidemic Fund launched by the Hong Kong SAR Government. The Group has also been actively managing its working capital to ensure that it remains in a healthy liquidity position.

This profit warning announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the three months ended 30 June 2020 and the information currently available, which have not been reviewed or audited by the Company's independent auditor. The Company is in the process of finalising the Group's financial results for the three months ended 30 June 2020. Shareholders and potential investors are advised to read carefully the first quarterly results announcement for the three months ended 30 June 2020, which is expected to be published on 12 August 2020.

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

By order of the Board
WWPKG Holdings Company Limited
Yuen Sze Keung
Chairman and Executive Director

Hong Kong, 4 August 2020

As at the date of this announcement, the executive Directors are Mr. Yuen Sze Keung, Ms. Chan Suk Mei and Mr. Yuen Chun Ning; and the independent non-executive Directors are Mr. Ho Wing Huen, Mr. Lam Yiu Kin and Mr. Yen Yuen Ho Tony.

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.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least seven days from the day of its posting and will also be published on the website of the Company at <http://www.wwpkg.com.hk>.