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Takbo Group Holdings Limited

德寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8436)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by Takbo Group Holdings 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 under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021, the Group is expected that the unaudited net profit for the year ended 31 December 2021 will decrease significantly by approximately a range of 70% to 80% as compared with that of the same period in 2020. Such significant decrease was mainly due to combination effects of (i) the significant reduction in revenue of cosmetic products including hand sanitisers resulting from the keen competition and market condition under COVID-19 pandemic; offset by (ii) decrease in one-off bonus paid to staff who achieved a revenue growth under the economic downturn in 2020; (iii) exchange gain in 2021 compared to huge exchange loss recognised in 2020 due to exchange rate movement of RMB and (iv) decrease in legal and professional fees incurred in 2021.

The Company is still in the process of finalising the financial results of the Group for the year ended 31 December 2021. The information contained in this announcement is only a preliminary assessment by the Board, based on the unaudited consolidated management accounts of the Group and other information currently available to the Company, which have not been reviewed or audited by the Company's auditors, and have not been verified by the audit committee of the Company. The Shareholders and potential investors of the Company are advised to read annual results announcement of the Company for the year ended 31 December 2021, which is expected to be published on 18 March 2022.

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

By Order of the Board
Takbo Group Holdings Limited
Or Naam

Executive Director and Chief Executive Officer

Hong Kong, 2 March 2022

As at the date of this announcement, the executive Directors are Mr. Or Naam, Ms. Chan Hoi Yan Polly and Mr. Or Huen; and the independent non-executive Directors are Mr. Tan Chong Huat, Mr. Sung Chi Keung and Mr. Hui Ha Lam.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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 "Latest Company Announcements" page on the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company's website at www.takbogroup.com.