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(incorporated in Cayman Islands with limited liability)

(Stock Code: 8331)

**UPDATE ON REVENUE GUARANTEE
IN RELATION TO THE ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL OF
P.B. CAPITAL ONE HOLDINGS LIMITED**

Reference is made to the announcement of P.B. Group Limited (the “**Company**”) dated 23 October 2020 and 5 November 2020 (the “**Announcements**”) in relation to, among other things, the acquisition of the entire issued share capital of the P.B. Capital One Holdings Limited (formerly known as P.B. Group Limited, the “**Target Company**”) involving issue of Consideration Shares under the General Mandate. Unless the context requires otherwise, the use of capitalised terms herein shall have the same meanings as defined in the Announcements.

Pursuant to the Agreement, the Vendor and the Guarantors warrant and guarantee to the Company that, the revenue of the Target Company as shown on the audited consolidated financial statements (to be prepared in accordance with the International Financial Reporting Standards) of the Target Company shall:

(a) not less than HK\$10,000,000 for the financial year ending 31 December 2020 (the “**2020 Performance Target**”); and

(b) not less than HK\$19,000,000 for the financial year ending 31 December 2021 (the “**2021 Performance Target**”) (each a “**Performance Target**”).

In the event that the actual revenue of the Target Company as shown in the audited consolidated financial statements of the Target Company is below the Performance Target for that relevant financial year, the Vendor and Guarantors shall deliver or procure the delivery of a banker’s draft for an amount representing the difference. For the avoidance of doubt, the maximum aggregate liability of the Vendor and the Guarantors in respect of the revenue guarantee shall not exceed the Consideration.

The Target Company had reached the 2020 Performance Target for the year ended 31 December 2020. According to the audited financial statements of Target Company dated 25 March 2022, the revenue of the Target Company for the year ended 31 December 2021 was approximately HK\$10.2 million, which is less than the 2021 Performance Target of HK\$19 million (the “**Shortfall**”). The Vendors and the Guarantors shall make a compensation of approximately HK\$8.8 million to the Group.

The Target Company and its subsidiaries are primarily engaged in the insurance broker (including wealth management business) and money lending businesses. The Vendor and Guarantors originally confident that the financial performance of wealth management business will make significant improvement once the business environment resume normal in the year of 2021. The Shortfall was mainly due to the following reasons:

(a) the COVID-19 since early 2020 has unfortunately persisted, which brought lingering impacts to the operation of the Target Company during the year 2021. The economy in Hong Kong has deteriorated and Hong Kong still imposes ongoing border restrictions between Mainland China and other major cities around the global. Hence, potential Mainland Chinese customers were not able to visit Hong Kong to seek professional advice on insurance and wealth management from the Group as certain of the Group’s significant customers for the long term business were resided in Mainland China; and

(b) some of the insurance providers have stopped offering certain popular products at the beginning of the year of 2021, in order to cater for the demand of different clients through increasing product varieties and enhance the product competitiveness, the Group introduced some new insurance providers who have the most popular products in the market at that time. The Group eventually signed the cooperation agreements in

the third quarter which later than expected.

Due to the aforesaid reasons, the wealth management business of the Group has been affected, the revenue of the Target Company was lower than expected, and therefore failed to meet the 2021 Performance Target.

Pursuant to the Agreement, the Vendor and the Guarantors are obliged to make the compensation to the Company within ten business days after the Purchaser at any time after the delivery of the audited financial statements of Target Company for the relevant financial year deliver a notice of exercise of the Purchaser's rights to the Vendor and the Guarantors.

By order of the Board
P.B. Group Limited
Chik Wai Chun
Company Secretary

Hong Kong, 25 March 2022

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Dr. CHAN Man Fung (Co-chairman), Mr. PUI Wai Lun (Co-chairman), Mr. SU Chun Xiang and Mr. PANG Ho Yin; and (ii) three independent non-executive Directors, namely Mr. YIP Chong Ho Eric, Mr. CHOW Chi Hang Tony and Mr. ZHANG Kun.

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.

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