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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)**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF KEY MAN INSURANCE POLICY**

#### **SUBSCRIPTION OF INSURANCE POLICY**

The Board announces that the Company took out the BOC Life Insurance and placed an initial single premium of US\$650,012.70 (equivalent to approximately HK\$5,070,099) thereunder with BOC Life, which became effective on 22 June 2022.

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Group under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

#### **SUBSCRIPTION OF INSURANCE POLICY**

The Company took out the BOC Life Insurance and placed an initial single premium of US\$650,012.70 (equivalent to approximately HK\$5,070,099) thereunder with BOC Life, which became effective on 22 June 2022. The BOC Life Insurance is a life insurance of Mr. Or as the insured person and the beneficiary is the Company.

The major terms of the BOC Life Insurance are as follows:

Policyholder/beneficiary:           The Company

Insured person:                       Mr. Or, aged 53

Policy term:	Whole of life
Premium payment term:	An initial single premium of US\$650,012.70 (equivalent to approximately HK\$5,070,099) which has been paid by the Policyholder upon taking out of the BOC Life Insurance.  The amount of premium was agreed between the Policyholder and BOC Life after arm's length negotiation with reference to, amongst other things, the insured person's age, sex and the sum at risk and amount of death benefit payable to the Policyholder in the event of death of Mr. Or.
Death benefit:	US\$1,000,000 (equivalent to approximately HK\$7,800,000).
Guaranteed minimum interest rate for the premium paid under the BOC Life Insurance:	(i) 4.10% per annum for the five years from the date of payment of the premium; and (ii) 2.00% per annum thereafter, subject to the terms and conditions of the BOC Life Insurance.

In the event that the Policyholder surrenders the BOC Life Insurance during its policy term, the maximum amount at age 120 should be US\$2,154,830 (equivalent to approximately HK\$16.8 million).

In the event that Mr. Or resigns from his office as Director and CEO and is otherwise no longer employed or engaged with the Group in future, the Policyholder may apply for a change of the insured person under the BOC Life Insurance to, including without limitation, such person of comparable importance to the management of the Group, subject to BOC Life's discretion.

## **REASONS FOR THE SUBSCRIPTION OF THE BOC LIFE INSURANCE**

The Board considers that it is currently apt to purchase the BOC Life Insurance in terms of (i) timing to insure against the risk of death of Mr. Or which, (1) may be particularly relevant and important given the ongoing COVID-19 pandemic; and (2) pursuant to his position in the Group as executive Director and CEO, may have substantial impact to the management of the Group, especially amidst the uncertain economic conditions in Hong Kong which may add challenges to its business and operations; and (ii) value as the amount of death benefit receivable by the Policyholder in the event of the insured person's death under the BOC Life Insurance is substantially higher than the premium paid by it. The Board expects that the BOC Life Insurance may offer timely protection benefit to the Group to overcome its interim financial needs and confidence to the Group's stakeholders and business partners, including without limitation banks, in the Group's prospect in the unfortunate event of death of the insured person as a key person to the Group's management.

In light of the foregoing, the Directors are of the view that the terms of the BOC Life Insurance and the transaction contemplated thereunder are fair and reasonable and the entering into of the BOC Life Insurance is in the interests of the Group and the Shareholders as a whole.

## **INFORMATION ABOUT THE GROUP**

The Group is principally engaged in (i) the design, development, manufacture and sale of beauty products; and (ii) the design, development and sale of beauty bags.

## **INFORMATION ABOUT BOC LIFE**

BOC Life, a company incorporated in 1997 with limited liability, is a 51% owned subsidiary of BOC Hong Kong (Holdings) Limited, a company listed on Stock Exchange (Stock Code : 2388), and 49% owned subsidiary of BOC Group Insurance Company Limited.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, BOC Life and its ultimate beneficial owners are Independent Third Parties.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Subscription are more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Group under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements under the GEM Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings set out below:

“Board”	board of Directors
“BOC Life”	Bank of China Group Insurance Company Limited
“BOC Life Insurance”	a life insurance policy taken out with BOC Life on 22 June 2022
“CEO”	Chief Executive Officer
“Company”	Takbo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM Board of the Stock Exchange

“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or company(ies) who/which is(are) independent of the Company and its connected persons
“Mr. Or”	Mr. Or Naam, executive Director
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“Policyholder”	the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	subscription of the BOC Life Insurance by the Policyholder
“US\$”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent

*For the purpose of this announcement, all figures in HK\$ are calculated based on the exchange rate of approximately US\$1.00 to HK\$7.80 for illustration purpose.*

By Order of the Board  
**Takbo Group Holdings Limited**  
**Or Naam**

*Chief Executive Officer and Executive Director*

Hong Kong, 6 July 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.*

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