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PF Group Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8221)

DECISION OF THE GEM LISTING COMMITTEE

This announcement is made by PF 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 (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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).

References are made to the announcements of the Company dated 7 December 2022 and 15 December 2022 (collectively, the “**Announcements**”). Unless otherwise specified, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcements.

THE DECISION OF THE GEM LISTING COMMITTEE

The Board wishes to inform the shareholders and potential investors of the Company that the review hearing (the “**Review Hearing**”) of the Decision by the GEM Listing Committee (the “**Committee**”) was held on 28 February 2023. On 14 March 2023, the Company received a letter from the Committee, notifying the Company that, having considered all the submissions (both written and oral) made by the Company and the Listing Division of the Stock Exchange, the Committee was of the view that the Company had failed to maintain a sufficient level of operations and assets of a sufficient value to support its operations as required under GEM Rule 17.26 to warrant the continued listing of its shares. The Committee therefore decided to uphold the Decision to suspend trading in the Company’s shares (the “**Shares**”) under GEM Rule 9.04(3) (the “**LC’s Decision**”).

The Committee arrived at the LC’s Decision for, among others, the following reasons:

1. The Company’s businesses have maintained a very low level of operation and revenue since 2017 and the Supply Chain Business had a short track record and generated minimal revenue.

2. The Company's business plans were preliminary and lacked concrete details such that the Committee considered that the Company failed to demonstrate that its businesses, individually or collectively, were sustainable and viable, or constituted a business of substance.

On operation

3. The scale of operation of the Company's businesses has been minimal and did not appear to represent a temporary downturn. The Company resulted in net losses over time.
4. The substantial portion of the increase in the revenue for the nine months ended 31 December 2022 ("9M2023") was attributable to the income generated under a facility agreement (the "**Facility Agreement**") entered into between PFSL and a borrower that was referred by the Company's financial adviser.

Original Businesses

5. The Placing and Underwriting Business, have contributed to a majority of the Company's revenue, only recorded a revenue of HK\$0.5 million for the year ended 31 March 2021 and ceased to generate any revenue in the year ended 31 March 2022 and for 9M2023.
6. The Company's business plans were generic and lacked concrete details such that it was unclear that whether the business plans would be sufficient to cause the Company's businesses to be of substance, viable and sustainable, in particular,
 - (i) the underwriting agreement entered into in January 2023 did not appear to help raise the Company's level of operation substantially;
 - (ii) the plan to increase headcount of account executives and apply for a SFC Type 4 license had not been completely implemented; and
 - (iii) the Company did not demonstrate its plan to tap into the crypto industry and to provide trust services would become viable and sustainable.
7. In light of the above, the Committee considered the Company failed to demonstrate that the Company's businesses were viable and sustainable.

Supply Chain Business

8. The Supply Chain Business had a short operating history with low level of operation.
9. The Company submitted that it had only one customer for this business at the Review Hearing.

10. The Company did not submit a concrete business plan to expand the business except to rely on the relevant experience and network of the Directors. The Company did not demonstrate how the business model has a competitive advantage in procuring customer orders or expanding the customer base that supports the viability and sustainability of the business.

Profit forecast

11. The Company's profit forecast was not supported by concrete and credible business plans and projections based on signed contracts, supportable customer demand or any other persuasive evidence. The forecasted revenue indicated a small scale of operation.

On assets

12. As at 30 September 2022, the Company's total assets of HK\$160.7 million mainly comprised cash and bank balances that would be reduced by advancing to the borrower under the Facility Agreement and other potential projects. At the Review Hearing, the Company acknowledged difficulties in obtaining bank loans and submitted that it may resort to equity financing or shareholder loans. The Committee was concerned whether the Company had sufficient assets to support the operation of a viable and sustainable business as required under GEM Rule 17.26.

Alleged impact of Covid-19

13. The Company had not demonstrated that, but for Covid-19, it would have had a material improvement in its business performance.
14. In light of the above, the Committee considered that the Company had failed to maintain a sufficient level of operations and assets of a sufficient value to support its operations as required under GEM Rule 17.26 to warrant the continued listing of its shares.

RIGHT TO REQUEST FOR A REVIEW OF THE LC'S DECISION

Pursuant to Rules 4.06(2) and 4.08(1) of the GEM Listing Rules, the Company may request the LC's Decision be referred to the GEM Listing Review Committee for a further and final review, and the review request must be served on the Secretary of the GEM Listing Review Committee within seven (7) business days of receipt of the LC's Decision, i.e. on or before 23 March 2023. The Company is in the process of seeking advice from its professional advisers and will actively consider lodging a request for reviewing the LC's Decision.

Shareholders and potential investors are reminded that the Company has yet to make a decision as to whether or not to request for a review of the LC's Decision and the outcome of such review by the Committee, if undertaken, is uncertain.

Further announcements will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules. Shareholders who have any queries about the implication of the LC's Decision are advised to obtain appropriate professional advice.

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

By order of the Board
PF Group Holdings Limited
Fok Yuk Tong
Chairman and Executive Director

Hong Kong, 14 March 2023

As at the date of this announcement, the Board comprises seven Directors, namely Mr. Fok Yuk Tong (Chairman), Ms. Hsieh Ching Chun, Mr. Zhong Chu Jian and Ms. Fok Kit Yee as executive Directors; and Ms. Chan Hoi Wuen Katherine, Mr. Tong Wing Chi and Mr. Kwan Tsz Chun Sun as independent non-executive Directors.

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 Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for at least 7 days from the date of its posting and be posted on the website of the Company at www.pfs.com.hk.