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CHANCE WISE INVESTMENTS LIMITED

(Incorporated in the British Virgin Islands with limited liability)



PF Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8221)

JOINT ANNOUNCEMENT

PROFIT WARNING

AND

FURTHER DELAY IN DESPATCH OF COMPOSITE DOCUMENT IN RELATION TO

MANDATORY UNCONDITIONAL CASH OFFER BY RSI SECURITIES LIMITED

FOR AND ON BEHALF OF CHANCE WISE INVESTMENTS LIMITED TO ACQUIRE ALL THE ISSUED SHARES (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY CHANCE WISE INVESTMENTS LIMITED AND PARTIES ACTING IN CONCERT WITH IT) OF PF GROUP HOLDINGS LIMITED

Financial adviser to the Offeror

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This joint announcement is made by the Offeror and the Company pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM (“GEM”) of the Stock Exchange (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).

References are made to the announcements jointly issued by the Offeror and the Company on 6 May 2020, 5 June 2020, 3 July 2020, 4 August 2020, 7 September 2020, 7 October 2020 and 28 October 2020 (the “Completion Announcement”) (collectively, the “Announcements”), in relation to, among other matters, (i) the details of the Sale and

Purchase Agreement that will result in a change of the Controlling Shareholder; and (ii) and the principal terms of the Offer. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that, based on preliminary assessment of the Group's unaudited consolidated management accounts (the "**Management Accounts**") currently available to the Board for the six months ended 30 September 2020 (the "**2020 Interim Results**"), it is expected that the Group will record a loss of approximately HK\$6.65 million for the 2020 Interim Results as compared to a loss of approximately HK\$0.39 million for the six months ended 30 September 2019 (the "**Profit Warning Statement**").

Subject to finalisation of the 2020 Interim Results, the Board considers that the loss for the 2020 Interim Results was mainly attributable to the decrease in fee and commission income from placing and underwriting activities due to the decrease in number of engagement participated by the Group.

The information contained in this joint announcement represents only a preliminary assessment by the Board based on information currently available including the Management Accounts, which have not been audited or reviewed by the Company's auditor and have not been reviewed by the audit committee of the Company. As at the date of this joint announcement, the Company is in the process of finalising the 2020 Interim Results, and such results are subject to necessary adjustments. Shareholders and potential investors are advised to read carefully the Company's announcement of the 2020 Interim Results (the "**2020 Interim Results Announcement**") which is expected to be published on or around 13 November 2020.

TAKEOVERS CODE IMPLICATIONS

The Profit Warning Statement involved a loss estimate for the period ended 30 September 2020 which is treated as a profit forecast (the "**Profit Forecast**") under Rule 10 of the Takeovers Code. The Profit Forecast is required to be reported on by the Company's auditor or reporting accountants and financial adviser (collectively, the "**Reports**") in compliance with Rule 10.4 of the Takeovers Code, and the Reports should be contained in the next document sent to the Shareholders (the "**Shareholder's Document**"). Meanwhile, this joint announcement is required to be made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions, which requires the Company to issue a profit warning announcement as soon as practicable.

Due to the time constraint in issuing this joint announcement in compliance with the relevant rules and regulations, the Company has encountered genuine practical difficulties in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code for this joint announcement.

The Company would like to draw the attention of the Shareholders and potential investors that the Profit Warning Statement does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors should exercise caution in placing reliance on the Profit Warning Statement in assessing the merits and

demerits of the Offer. The Profit Warning Statement will be reported on as soon as reasonably practicable and the Reports will be contained in the next Shareholder's Document. However, if the 2020 Interim Results Announcement which fall within the ambit of Rule 10.9 of the Takeovers Code have been published before the despatch of the Shareholder's Document, given that the 2020 Interim Results Announcement contains the relevant results together with the notes to the financial statements are to be included in the next Shareholder's Document, the requirements to report on the Profit Warning Statement under Rule 10.4 of the Takeovers Code will no longer apply.

FURTHER DELAY IN DESPATCH OF THE COMPOSITE DOCUMENT

As stated in the Completion Announcement, the Completion took place on 28 October 2020 and the Composite Document and the accompanying Form of Acceptance were expected to be despatched to the Independent Shareholders on or before 4 November 2020 in accordance with the Takeovers Code.

On 2 November 2020, the Company, having reviewed the latest Management Accounts, agreed that the Company should issue a profit warning announcement based on the available preliminary assessment on the Group's unaudited consolidated management accounts for the six months ended 30 September 2020 (the "**Preliminary Results**") pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions to the Shareholders as soon as practicable.

It is also understood that the Preliminary Results will be regarded as a profit forecast under Rule 10 of the Takeovers Code, and if the Company were to include the Preliminary Results into the Composite Document, such results will be required to be reported on by both the Company's financial adviser and its accountants/auditors under the Takeovers Code. However, having considered the timing of the above-mentioned, the Board considers that there is insufficient time and impracticable for such reports to be prepared and included in the Composite Document on or before 4 November 2020, being the expected despatch date of the Composite Document.

The interim results of the Group for the six months ended 30 September 2020 (the "**Interim Results**") will be published by the Company on or around 13 November 2020. The Interim Results will be included into the Composite Document and for the Independent Financial Adviser to finalise its advice and recommendation, if any, as a result of the Profit Warning Statement and the Interim Results, in order to inform the Shareholders on the Group's latest financial position and to comply with both the Takeovers Codes and the GEM Listing Rules. An application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code for consent to further extend the deadline for the despatch of the Composite Document to the Shareholders to 20 November 2020 to include the Interim Results into the Composite Document in order to inform the Shareholders the Group's latest financial position and to comply with both the Takeovers Code and the GEM Listing Rules. The Executive has indicated that it is minded to grant such consent.

Further announcement(s) will be made by the Company as and when appropriate in compliance with the Takeovers Code.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take, should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the board of
Chance Wise Investments Limited
Hsieh Ching Chun
Director

By order of the Board
PF Group Holdings Limited
Lo Shiu Wing Chester
Chief Executive Officer and Executive Director

Hong Kong, 4 November 2020

As at the date of this joint announcement, the Board comprises six Directors, namely Mr. Lo Tak Wing Benson (Chairman) and Mr. Lo Shiu Wing Chester (Chief Executive Officer) as executive Directors; Mr. Khoo Ken Wee as non-executive Director; and Mr. Ma Wai Hung Vincent, Mr. Mok Kwai Pui Bill and Mr. Ng Shu Bun Andrew as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror, Ms. Hsieh and Mr. Fok, and parties acting in concert with any one of them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Offeror, Ms. Hsieh and Mr. Fok, and parties acting in concert with any one of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

This joint 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 joint 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 joint announcement misleading.

This joint announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com 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.

As at the date of this joint announcement, Ms. Hsieh and Mr. Fok are the directors of the Offeror.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Vendor and parties acting in concert with it), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Group, the Vendor and parties

acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.