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PF Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8221)

FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2021

The board (the “**Board**”) of directors (the “**Directors**”) of PF Group Holdings Limited (the “**Company**”) hereby announces the unaudited consolidated quarterly results of the Company and its subsidiaries (collectively the “**Group**”) for the three months ended 30 June 2021. This announcement, containing the full text of the first quarterly report 2021 of the Company (the “**First Quarterly Report 2021**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of the quarterly results. Printed version of the First Quarterly Report 2021 containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course.

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

Hong Kong, 12 August 2021

As at the date of this announcement, the Board comprises nine Directors, namely Mr. Fok Yuk Tong, Ms. Hsieh Ching Chun, Dr. Lee Chun Pong Bruce (Chairman), Mr. Zhong Chu Jian and Ms. Fok Kit Yee as executive Directors; Ms. Fong Man Julisa as non-executive Director; and Mr. Wong Che Man Eddy, Mr. Cho Chun Man and Ms. Chan Hoi Wuen Katherine 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 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 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.

CHARACTERISTICS OF GEM (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the “**Directors**”) of PF Group Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report 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 report misleading.*

The board of Directors (the "Board") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the three months ended 30 June 2021 (the "Period" or "1Q2021") together with the comparative unaudited figures for the corresponding period in 2020 (the "Corresponding Period" or "1Q2020"), as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 30 June 2021

		Three months ended 30 June	
	Notes	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue			
Commission income from securities dealing and brokerage services		810	1,865
Fee and commission income from placing and underwriting activities	4	–	66
Interest income from margin and loan financing services		952	2,220
Fee income from asset management services		–	453
Others	5	23	505
Total revenue		1,785	5,109
Bank interest income		–	192
Other gains and losses	6	258	931
		2,043	6,232
Commission expenses	7	(374)	(553)
Depreciation expenses		(1,237)	(1,236)
Staff costs	8	(2,358)	(8,048)
Other operating expenses		(3,064)	(2,826)
Finance costs	9	(4)	(49)
Loss before tax		(4,994)	(6,480)
Income tax expense	11	–	–
Loss for the period attributable to owners of the Company		(4,994)	(6,480)
		HK cents	HK cents
Loss per share			
Basic	12	(0.25)	(0.32)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2021

	Equity attributable to owners of the Company					
	Share capital HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	Fair value through other comprehensive income reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
As at 1 April 2021 (audited)	20,000	48,229	9,762	(14)	100,148	178,125
Loss and total comprehensive loss for the period	-	-	-	-	(4,994)	(4,994)
As at 30 June 2021 (unaudited)	20,000	48,229	9,762	(14)	95,154	173,131

For the three months ended 30 June 2020

	Equity attributable to owners of the Company					
	Share capital HK\$'000	Share premium HK\$'000	Other reserves HK\$'000	Fair value through other comprehensive income reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
As at 1 April 2020 (audited)	20,000	48,229	9,762	(47)	166,209	244,153
Loss and total comprehensive loss for the period	-	-	-	-	(6,480)	(6,480)
As at 30 June 2020 (unaudited)	20,000	48,229	9,762	(47)	159,682	237,673

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 June 2021

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 3 August 2015 under the Companies Law of the Cayman Islands. The shares of the Company have been listed on the GEM of the Stock Exchange since 6 January 2017. Its ultimate holding company is Chance Wise Investments Limited ("**CWIL**"), a company incorporated in the British Virgin Islands with limited liability.

The Company is an investment holding company. The Group is principally engaged in the provision of (i) securities dealing and brokerage services; (ii) placing and underwriting services; (iii) financing services including securities and initial public offering ("**IPO**") margin financing and loan financing; and (iv) asset management services.

The Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company is Room 4409, 44/F, COSCO Tower, 183 Queen's Road Central, Hong Kong.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company and its subsidiaries and all values are rounded to the nearest thousands ("**HK\$'000**"), unless otherwise stated.

The unaudited condensed consolidated financial statements are unaudited, but have been reviewed by the audit committee of the Company (the "**Audit Committee**"). The unaudited condensed consolidated financial statements were approved for issue by the Directors on 12 August 2021.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Group's unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of the GEM Listing Rules.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The unaudited condensed consolidated quarterly results have been prepared under the historical cost convention except for certain financial instruments which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The unaudited condensed consolidated quarterly results should be read in conjunction with the Group's audited annual financial statements for the year ended 31 March 2021 (the "**2021 Annual Report**"). The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the 2021 Annual Report.

The Group has adopted the standards, amendments and interpretations that have been issued and effective for the accounting period beginning on 1 April 2021. The adoption of such standards, amendments and interpretations does not have material financial effect on this quarterly results.

3. SEGMENT REPORTING

The chief operating decision maker ("**CODM**") of the Group, being the executive Directors and senior management of the Group, regularly review revenue analysis by major services to make decisions about resource allocation. No discrete financial information other than revenue is regularly provided to the CODM. The management assesses the performance of the Group based on the revenue and profit as presented in the unaudited condensed consolidated statement of profit or loss and other comprehensive income.

Revenue from major services

The Group provides five types of services:

- (a) securities dealing and brokerage services, which primarily generate commission on securities dealing;
- (b) placing and underwriting services, which primarily generate fee and commission from equity and debt securities placing and underwriting;
- (c) financing services, including securities and IPO margin financing and loan financing, which generate interest income from margin clients and borrowers;
- (d) asset management services, which primarily generate management fee and performance fee; and
- (e) other services, which primarily generate fee income (such as settlement fees, professional service fee, loan commitment fee and referral fees) from other services provided.

3. SEGMENT REPORTING *(Continued)*

Revenue represents the aggregate of the amounts received and receivable from third parties, income from securities dealing and brokerage services, placing and underwriting services and asset management services. Revenue recognised for each of the three months ended 30 June 2021 and 30 June 2020 are as follows:

Disaggregation of revenue from contracts with customers

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Securities dealing and brokerage services	810	1,865
Placing and underwriting services	–	66
Asset management services	–	453
Other services	23	505
Revenue from contracts with customers	833	2,889
Revenue from other sources		
Interest income from margin financing services	690	1,593
Interest income from loan financing	262	627
	952	2,220
	1,785	5,109
Timing of revenue recognition:		
A point in time	833	2,464
Over time	–	425
	833	2,889

4. FEE AND COMMISSION INCOME FROM PLACING AND UNDERWRITING ACTIVITIES

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Fee and commission income from selling shareholders/issuers/brokers	–	66

5. OTHER REVENUE

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Handling fee income	1	5
Professional service fee income	22	500
	23	505

6. OTHER GAINS AND LOSSES

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Interest on account receivable	253	142
Government grant	–	454
Sundry Income	5	335
	258	931

7. COMMISSION EXPENSES

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Commission to account executives	374	553

8. STAFF COSTS

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Salaries	1,381	1,766
Contributions to Mandatory Provident Fund	46	45
Directors' emoluments		
— Fees	914	99
— Salaries	—	6,120
— Contributions to Mandatory Provident Fund	17	18
	2,358	8,048

Staff and directors' bonus are discretionary and determined with reference to the Group's and individuals' performance.

9. FINANCE COSTS

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Interest on bank borrowings	—	—
Interest on lease liabilities	4	49
	4	49

10. DIVIDEND

No dividend was paid, declared or proposed during the three months ended 30 June 2021. The Directors do not recommend the payment of any dividend for the three months ended 30 June 2021 (2020: Nil).

11. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits arising from Hong Kong for the three months ended 30 June 2021 (2020: Nil).

12. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Loss		
Loss for the purpose of basic earnings per share:		
Loss for the period attributable to owners of the Company	(4,994)	(6,480)

	Three months ended 30 June	
	2021 (unaudited)	2020 (unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,000,000,000	2,000,000,000

For each of the three months ended 30 June 2021 and 2020, there were no dilutive potential ordinary shares in issue, thus no diluted earnings per share is presented.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the provision of (i) securities dealing and brokerage services; (ii) placing and underwriting services; (iii) financing services including securities and IPO margin financing and loan financing; and (iv) asset management services. The Group's services mainly relate to equity and debt securities trading on the Stock Exchange in Hong Kong.

During the Period, the Group had 197 active securities trading accounts (1Q2020: 224), the total transaction value for 1Q2021 was approximately HK\$0.4 billion (1Q2020: approximately HK\$0.9 billion). The Group's commission income from securities dealing and brokerage services decreased by approximately 57.9% from approximately HK\$1.9 million in 1Q2020 to approximately HK\$0.8 million for 1Q2021. The decrease was mainly attributable to the total transaction value of securities trading carried out by the Group on behalf of customers decreased by approximately 55.6% as compared to that of 1Q2020.

Placing and underwriting fee and commission income is principally affected by the number of engagements participated by the Group, the size of engagements and the commission rates. For the three months ended 30 June 2021, the Group did not complete any placing and underwriting engagement (1Q2020: one placing and underwriting engagement with a total transaction value of approximately HK\$6.5 million). The fee and commission income from placing and underwriting activities generated by the Group decreased by 100% from approximately HK\$0.1 million for 1Q2020 to nil for 1Q2021. The decrease was mainly attributable to the decrease in number of engagement participated by the Group and the total transaction value decreased by approximately HK\$6.5 million.

Interest income from margin and loan financing services mainly represents the interest income generated from the provision of margin financing services for customers to purchase securities listed on the Stock Exchange on a margin basis and loan financing. The Group had commenced the money lending business and the initial focus of the business was hire purchase financing of vehicles. For the Period, there were four vehicles (1Q2020: nil) being financed and the interest income was about HK\$9,000 (1Q2020: nil). For the Period, interest income from margin and loan financing decreased by approximately 57.1% from approximately HK\$2.2 million for 1Q2020 to approximately HK\$1.0 million for 1Q2021.

BUSINESS REVIEW *(Continued)*

The Group had no asset management clients (1Q2020: 7 asset management clients) and the total net assets value managed by the Group was nil (1Q2020: 4.2 billion). The Group's fee income from asset management services decreased by 100% from approximately HK\$0.5 million for 1Q2020 to nil for 1Q2021.

OUTLOOK

Looking ahead, the global epidemic is still the biggest uncertainty to the global economy, the impact of COVID-19 will probably last for a period of time. Economic activities will not fully resume until the crisis is completely under control. At the same time, the conflict between China and the United States brought further uncertainties to the global trading environment. It is expected that such economic uncertainties will also last for a while. Dealing with the future challenges, the management of the Group would review and adjust business strategies on a regular basis with a prudent and balanced risk management approach. The management of the Group remains cautiously optimistic about the business development and overall performance of the Group in the future.

The Group and the Directors will continue to keep abreast of the latest development of the Hong Kong financial market and the update on the regulatory requirements applicable to the Group and to strive to achieve the business objective to increase the Group's exposure and scale of operations in Hong Kong within the capital markets and to capture a larger market share.

FINANCIAL REVIEW

Revenue

The Group's total revenue for 1Q2021 was approximately HK\$1.8 million, representing a decrease of approximately HK\$3.3 million or 65.1% from approximately HK\$5.1 million for 1Q2020. The decrease in total revenue was mainly attributed to (i) the decrease in commission income from securities dealing and brokerage services of approximately HK\$1.1 million due to the decrease in total transaction value; and (ii) the decrease in interest income from margin financing of approximately HK\$0.7 million.

The Group's commission income from securities dealing and brokerage services decreased by approximately HK\$1.1 million or 57% from approximately HK\$1.9 million for 1Q2020 to approximately HK\$0.8 million for 1Q2021.

Placing and underwriting fee and commission income is principally affected by the number of engagements participated by the Group, the size of engagements and the commission rates. For 1Q2021, the Group did not complete any placing and underwriting engagement (1Q2020: 1 placing and underwriting engagement with a total transaction value of approximately HK\$6.5 million). Attributed to the decrease in (i) the number of engagements participated by the Group and (ii) the total transaction value decreased by approximately HK\$0.1 million.

FINANCIAL REVIEW *(Continued)*

Revenue *(Continued)*

Interest income from margin and loan financing services recorded a decrease of approximately 57.1% from approximately HK\$2.2 million 1Q2020 to approximately HK\$1.0 million for 1Q2021. The Group had commenced the money lending business and the initial focus of the business was hire purchase financing of vehicles. For the Period, there were four vehicles (1Q2020: nil) being financed and the interest income was about HK\$9,000 (1Q2020: nil).

As at 30 June 2021, the Group had no (1Q2020: 7) asset management clients and the total net assets value managed by the Group amounted to nil (1Q2020: HK\$4.2 billion). For the Period, the total fee income generated by the Group from its asset management services was nil (1Q2020: HK\$0.5 million).

In addition to the above business activities, the Group may on a case by case basis come across other projects, the fee income from which is recorded as other revenue. The other revenue for 1Q2021 was approximately HK\$0.02 million, representing a decrease of approximately 95.4% as compared to the other revenue of approximately HK\$0.5 million recorded in 1Q2020.

Loss for the Period

Loss for the Period was approximately HK\$5.0 million, representing a decrease of approximately HK\$1.5 million or 22.9% from loss of approximately HK\$6.5 million for 1Q2020, which was mainly attributed to (i) the decrease in commission income from securities dealing and brokerage services of approximately HK\$1.1 million due to the decrease in total transaction value; (ii) the decrease in interest income from margin financing of approximately HK\$0.7 million; and (iii) the increase in office relocation costs of approximately HK\$1.0 million.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the Period, the Group mainly financed its operations by internal resources. As at 30 June 2021, the Group had net current assets of approximately HK\$157.7 million (31 March 2021: HK\$169.3 million), including cash and cash equivalents of approximately HK\$91.8 million (31 March 2021: HK\$115.9 million).

The current ratio, being the ratio of current assets to current liabilities, was approximately 4.4 times as at 30 June 2021 (31 March 2021: 4.4 times).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

(Continued)

The share capital of the Group comprises only ordinary shares. Total equity attributable to owners of the Company amounted to approximately HK\$173.4 million as at 30 June 2021 (31 March 2021: HK\$178.1 million).

The Board is of the opinion that the Company will have sufficient financial resources to meet its financial obligations as they fall due for at least the next twelve months from the end of the Period, after taking into consideration the needs to obtain additional financing including, but not limited to, borrowing loans and issuing additional equity or debt securities.

EMPLOYEE INFORMATION

As at 30 June 2021, the Group had 21 employees (31 March 2021: 22), including the Directors. Total staff costs (including staff salaries, Directors' emoluments and contribution to Mandatory Provident Fund) for the Period were approximately HK\$2.0 million (1Q2020: HK\$8.0 million).

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

There was no material acquisition or disposal of subsidiaries, associates or joint ventures during the Period.

FOREIGN EXCHANGE RISK

The turnover and operation costs of the Group were principally denominated in Hong Kong dollars. The Group currently does not have a policy on hedges of foreign exchange risk. However, the Group will closely monitor the fluctuations in exchange rates and will consider to employ financial instrument for hedging should the needs arise.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2021.

EVENT AFTER THE REPORTING PERIOD

After the Period and up to the date of this report, there was no significant event relevant to the business or financial performance of the Group that came to the attention of the Directors.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2021, the interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") held by the Directors and chief executives of the Company (the "Chief Executives") which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise have been notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

Long position in ordinary shares of HK\$0.01 each of the Company

Name of Director	Capacity/Nature of interest	Number of shares held	Approximate percentage of shareholding
Mr. Fok Yuk Tong ("Mr. Fok") (Note 1)	Interest in controlled corporation	1,199,640,000	59.98
Ms. Hsieh Ching Chun ("Ms. Hsieh") (Note 1)	Interest in controlled corporation	1,199,640,000	59.98
Dr. Lee Chun Pong Bruce ("Dr. Lee") (Note 2)	Interest in controlled corporation	300,000,000	15.00
Ms. Fok Kit Yee	Beneficial interest	360,000	0.02

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS *(Continued)*

Long position in ordinary shares of HK\$0.01 each of the Company *(Continued)*

Notes:

1. The issued share capital of CWIL is beneficially owned as to 30% by Mr. Fok and 70% by Ms. Hsieh respectively. Mr. Fok is the spouse of Ms. Hsieh. Therefore, Mr. Fok and Ms. Hsieh are deemed to be interested in the 1,199,640,000 shares of the Company held by CWIL by virtue of the SFO.
2. Mega Wise Group Limited ("MWGL") is wholly-owned by Dr. Lee. Therefore, Dr. Lee is deemed to be interested in the 300,000,000 shares of the Company held by MWGL by virtue of the SFO.

Save as disclosed above, as at 30 June 2021, none of the Directors or chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors and the chief executives are aware, as at 30 June 2021, other than the Directors and the chief executives, the following person/corporation had or was deemed or taken to have an interest and/or short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or which would be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

Long position in ordinary shares of HK\$0.01 each of the Company

Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of shareholding
CWIL (Note 1)	Beneficial interest	1,199,640,000	59.98
MWGL (Notes 2 & 3)	Beneficial interest	300,000,000	15.00
Ms. Chow Nim Pui ("Ms. Chow") (Notes 2 & 3)	Interest in spouse	300,000,000	15.00

Notes:

1. The issued share capital of CWIL is beneficially owned as to 30% by Mr. Fok and 70% by Ms. Hsieh respectively. Mr. Fok is the spouse of Ms. Hsieh. Therefore, Mr. Fok and Ms. Hsieh are deemed to be interested in the 1,199,640,000 shares of the Company held by CWIL by virtue of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO").
2. MWGL is wholly-owned by Dr. Lee. Therefore, Dr. Lee is deemed to be interested in the 300,000,000 shares of the Company held by MWGL by virtue of the SFO.
3. Ms. Chow is the spouse of Dr. Lee. Therefore, Ms. Chow is deemed to be interested in the 300,000,000 shares of the Company held by Dr. Lee through MWGL under the SFO.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY *(Continued)*

Save as disclosed above, as at 30 June 2021, the Directors were not aware of any person or corporation (other than the Directors and the chief executives) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to section 336 of the SFO, which would have to be recorded in the register referred to therein.

SHARE OPTION SCHEME

A share option scheme (the “**Scheme**”) was adopted by the shareholder of the Company and was effective on 5 December 2016. Unless otherwise cancelled or amended, the Scheme will remain in force for a period of 10 years from the date of its adoption on 5 December 2016. Subject to the terms of the Scheme, the Board shall be entitled to make an offer of the grant of an option to subscribe for shares of the Company to any Directors, employees of the Group, consultants or advisers of the Group, providers of goods and/or services to the Group, customers of the Group, holders of securities issued by any member of the Group, or any other person, who at the sole discretion of the Board, has contributed to the Group. Since the adoption of the Scheme and up to 30 June 2021, no share option has been granted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period and up to the date of this report.

COMPETING INTERESTS

None of the Directors, the controlling shareholders of the Company nor their respective close associates (as defined in the GEM Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group or had any other conflicts of interest with the Group during the Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings (the “**Required Standard of Dealings**”) set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries with all the Directors, all of them confirmed that they have complied with the Required Standard of Dealings throughout the Period.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with rules 5.28 and 5.29 of the GEM Listing Rules and the Corporate Governance Code in Appendix 15 to the GEM Listing Rules. The Audit Committee currently comprises three independent nonexecutive Directors, namely Mr. Wong Che Man Eddy (“**Mr. Wong**”), Mr. Cho Chun Man and Ms. Chan Hoi Wuen Katherine and one non-executive Director, Ms. Fong Man Julisa. Mr. Wong is the chairman of the Audit Committee.

The Audit Committee had reviewed the unaudited condensed consolidated results of the Group for the Period with the management of the Company and was of the opinion that such results had complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements and that adequate disclosures had been made.

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

Hong Kong, 12 August 2021

As at the date of this report, the Board comprises nine Directors, namely Mr. Fok Yuk Tong, Ms. Hsieh Ching Chun, Dr. Lee Chun Pong Bruce (Chairman), Mr. Zhong Chu Jian and Ms. Fok Kit Yee as executive Directors; Ms. Fong Man Julisa as non-executive Director; and Mr. Wong Che Man Eddy, Mr. Cho Chun Man and Ms. Chan Hoi Wuen Katherine as independent non-executive Directors.