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PINE TECHNOLOGY HOLDINGS LIMITED

松景科技控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1079)

PROFIT GUARANTEE IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST OF ETERNAL ABUNDANT LIMITED

References are made to the announcements of PINE Technology Holdings Limited (the “**Company**”) dated 9 July 2018, 13 July 2018 and 23 July 2018 (the “**Announcements**”) in relation to the entering into of a sale and purchase agreement dated 9 July 2018 (as amended and supplemented by a supplemental agreement thereto dated 13 July 2018, collectively known as, the “**Sale and Purchase Agreement**”) between Talent Crest Limited (“**Talent Crest**”), an indirect wholly-owned subsidiary of the Company, as purchaser, Harmonious Miles Limited (“**Harmonious Miles**”), as vendor, and Mr. Wu Chung Man Ronnie as guarantor for the acquisition of the entire equity interest of Eternal Abundant Limited (“**Eternal Abundant**”, together with its subsidiaries, the “**Eternal Abundant Group**”) (the “**Acquisition**”) for a total consideration of HK\$220,800,000. The Acquisition was completed on 23 July 2018 (the “**Completion Date**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements, unless defined herein or the context requires otherwise.

Pursuant to the Sale and Purchase Agreement, Harmonious Miles has warranted and guaranteed to Talent Crest that the audited consolidated profit after tax as shown in the audited consolidated accounts of the Eternal Abundant Group for (i) the 12-month period commencing from the Completion Date; (ii) the 12-month period commencing from the date falling on the first anniversary of the Completion Date; and (iii) the 12-month period commencing from the date falling on the second anniversary of the Completion Date shall not be less than HK\$14,500,000, HK\$15,500,000 and HK\$16,500,000 respectively (the “**Profit Guarantee**”). In the event of non-fulfilment of the Profit Guarantee, Harmonious Miles and/or Mr. Wu Chung Man Ronnie (being the vendor’s guarantor) shall compensate Talent Crest by 23.7 times of the aggregate amount of shortfall of the relevant guarantee period(s) in cash, and such compensation shall not exceed the sum of HK\$220,800,000, being the amount of consideration for the Acquisition, in any event. Please refer to the Announcements for further information in relation to the Acquisition.

* *For identification purposes only*

As disclosed in the annual report of the Company for the year ended 30 June 2020, the audited consolidated profit after tax of the Eternal Abundant Group for the 12-month period commencing from the Completion Date (“**1st Profit Guarantee Period**”) had met the 1st Guaranteed Profit of not less than HK\$14,500,000 for the 1st Profit Guarantee Period.

The Board would like to announce that the audited consolidated accounts of the Eternal Abundant Group for the 12-month period commencing from the date falling on the first anniversary of the Completion Date (the “**2nd Profit Guarantee Period**”) indicated that the audited consolidated profit after tax of the Eternal Abundant Group for the 2nd Profit Guarantee Period was not less than HK\$15,500,000. Therefore, the Board is pleased to announce that the 2nd Guaranteed Profit has also been met.

The Company will make further disclosure and/or announcement in respect of the fulfillment of the Profit Guarantee for the 12-month period commencing from the date falling on the second anniversary of the Completion Date as and when appropriate in accordance with the Listing Rules.

By order of the Board
PINE Technology Holdings Limited
Zhang Sanhuo
Chairman

Hong Kong, 27 November 2020

As at the date of this announcement, the executive Directors are Mr. Zhang Sanhuo, Mr. Chan Cheuk Ho and Mr. Chiu Hang Tai and the independent non-executive Directors are Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong.