# SAGE INTERNATIONAL GROUP LIMITED
# 仁智國際集團有限公司

*(incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8082)**

## PROFIT WARNING

This announcement is made by Sage International Group 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 of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Inside Information Provisions (as defined under the GEM Listing Rules) (the "**Inside Information Provisions**") under Part XIVA of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong).

Reference is made to the announcement ("**Joint Announcement**") jointly issued by Mr. Chau Cheok Wa (the "**Offeror**") and the Company dated 9 April 2019 in relation to, among other things, the mandatory unconditional cash offers (the "**Offers**") to be made by Sun International Securities Limited for and on behalf of the Offeror to acquire all the issued Shares and to cancel all outstanding options of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

The Board wishes to inform the Shareholders and potential investors of the Company that, based on a preliminary review of the unaudited financial information of the Group for the three months ended 31 March 2019 and information currently available to the Board, the Group is expected to record significant increase in loss attributable to the shareholders of the Company for the three months ended 31 March 2019 (the "**2019 Q1 Results**"). The significant increase in loss for the 2019 Q1 Results was mainly attributable to (i) the decline of operating revenue of the media and entertainment business due to the unexpected performance of certain concert projects during the three months ended 31 March 2019; and (ii) the grant of share options in the second and third quarters of the year ended 31 December 2018 which is amortised during the period according to Hong Kong Financial Reporting Standards.

The Company is still in the process of finalising the consolidated results of the Group for the three months ended 31 March 2019. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited financial information of the Group and the information currently available which have not been audited by the auditor of the Company and have not been confirmed by the audit committee of the Company. The information contained in this announcement may be different from the first quarterly results of the Group for the three months ended 31 March 2019. Further details of the Group's financial results will be disclosed in its first quarterly results announcement for the three months ended 31 March 2019 which is expected to be published on or before 15 May 2019.

Pursuant to Rule 10 of the Takeovers Code, the profit warning included in this announcement (the "**Profit Warning**") constitutes a profit forecast and is required to be reported on by the Company's financial advisers and its auditor or accountant in accordance with Rule 10.4 of the Takeovers Code. Since this announcement is required to be made pursuant to Rule 17.10(1) of the GEM Listing Rules and the Inside Information Provisions, which requires the Company to issue a profit warning announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties in meeting the requirements set out in Rule 10.4 of the Takeovers Code.

The Company would like to draw the attention of the Shareholders and potential investors of the Company that the Profit Warning has not been reported on in accordance with the requirements under Rule 10.4 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. The Profit Warning is normally required to be separately reported on by the Company's financial advisers and its auditor or accountant and such reports shall be contained in the next document to be issued by the Company to the Shareholders in connection with the Offers. The Profit Warning will be reported on in accordance with Rule 10 of the Takeovers Code and such reports will be included in the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders and Optionholders in relation to the Offers (the "**Composite Document**") unless the first quarterly results announcement for the three months ended 31 March 2019 of the Company has been published prior to the Composite Document.

## WARNING:

**Shareholders and potential investors of the Company should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10.4 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company should exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Offers.**

**Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

By order of the Board
**Sage International Group Limited**
**Dong Choi Chi, Alex**
*Executive Director*

Hong Kong, 29 April 2019

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Chong Cho Lam and Mr. Dong Choi Chi, Alex, and three independent non-executive Directors, namely, Mr. Chan Wai Man, Mr. Siu Hi Lam, Alick and Mr. Ting Kit Lun.*

*This 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 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.*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company's website at www.sig.hk.*