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SG Group Holdings Limited

樺欣控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8442)

INSIDE INFORMATION PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by SG Group Holdings Limited (the “**Company**”) 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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE PLACING AGREEMENT

The Company was informed by JC Fashion International Group Limited (“**JC Fashion International**”), the controlling shareholder of the Company which is wholly owned by Mr. Choi King Ting, Charles (being the chairman of the board of directors of the Company (the “**Directors**” or the “**Board**”), the Chief Executive Officer and an executive Director), that a placing agreement (the “**Placing Agreement**”) was entered into on 29 April 2019 (after trading hours) between JC Fashion International and Ever Joy Securities Limited (the “**Placing Agent**”) for the offer by way of placing (the “**Placing**”) of up to a total of 1,000,000 shares of the Company (“**Placing Shares**”) held by JC Fashion International to any professional, institutional, corporate and other investors (the “**Placees**”) procured by the Placing Agent to purchase the Placing Shares pursuant to the Placing Agent’s obligations on a best efforts basis under the Placing Agreement at no less than HK\$6 per Placing Share.

THE SHAREHOLDING STRUCTURE UPON COMPLETION OF THE PLACING

The Placing Shares represent approximately 3.12% of the existing issued share capital of the Company. As at the date of this announcement, JC Fashion

International holds 24,000,000 shares in the Company (the “**Shares**”), representing 75.00% of the existing issued share capital of the Company. Assuming all of the Placing Shares are placed out, upon completion of the Placing, the number of Shares held by JC Fashion International will decrease to 23,000,000 Shares (representing approximately 71.88% of the existing issued share capital of the Company as at the date of this announcement) and will remain the controlling shareholder of the Company. The following is a summary of the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Placing (assuming all of the Placing Shares are placed out):

	Shareholding as at the date of this announcement		Shareholding immediately upon completion of the Placing (assuming all of the Placing Shares are placed out)	
	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>
JC Fashion International	24,000,000	75.00	23,000,000	71.88
Public	<u>8,000,000</u>	<u>25.00</u>	<u>9,000,000</u>	<u>28.12</u>
Total	<u><u>32,000,000</u></u>	<u><u>100.00</u></u>	<u><u>32,000,000</u></u>	<u><u>100.00</u></u>

THE PLACEES

Pursuant to the Placing Agreement, the Placing Agent shall use its best endeavours (after exercising due care) to ensure that the Placees and their ultimate beneficial owners shall be third parties independent of and not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with JC Fashion International, the Company or any of its connected persons (as defined in the GEM Listing Rules). The Company does not expect that the placing of existing shares by JC Fashion International as the controlling shareholder will have any adverse effect on the operations of the Company and its subsidiaries.

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

By Order of the Board
SG Group Holdings Limited
Choi King Ting, Charles
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 29 April 2019

As at the date of this announcement, the executive Directors are Mr. Choi King Ting, Charles and Mr. Choi Ching Shing; and the independent non-executive Directors are Mr. Lai Kwok Hung, Alex, Mr. Yeung Chuen Chow, Thomas and Mr. Cüneyt Bülent Bilâloğlu.

This announcement, for which the Directors of 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 of Hong Kong Limited (“GEM”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, 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 Company Announcements” page of the GEM website of The Stock Exchange of Hong Kong Limited at www.hkexnew.hk for at least seven days from the date of publication. This announcement will also be published on the website of the Company at www.jcfash.com.