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## **SPEED APPAREL HOLDING LIMITED**

**尚捷集團控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8183)**

### **PROPOSED TRANSFER OF LISTING FROM GEM TO THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

**Sponsor to the Company**



**KGI Capital Asia Limited**

**Financial adviser to the Company**



This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 16 July 2019 (after trading hours), the Company has submitted a formal application to the Stock Exchange in respect of the Proposed Transfer of Listing of (i) all the Shares in issue; and (ii) the new shares which may fall to be issued upon the exercise of share options that may be granted under the Share Option Scheme, from GEM to the Main Board pursuant to Chapter 9A and Appendix 28 of the Main Board Listing Rules and the relevant provisions of the GEM Listing Rules. The Proposed Transfer of Listing will not involve any issue of new Shares.

The Board believes that the Proposed Transfer of Listing will enhance the profile and promote market recognition of the Group among public investors, its existing and potential customers, reinforce confidence of existing and potential customers and suppliers in financial strength, corporate governance and credibility of the Group and promote the corporate image of the Company.

**Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the conditions of the Proposed Transfer of Listing as set out in this announcement being fulfilled. There is no assurance that approval and permission will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed or become effective. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **PROPOSED TRANSFER OF LISTING OF THE SHARES FROM GEM TO THE MAIN BOARD**

This announcement is made by the Company pursuant to Rules 9.26 and 17.10(2)(a) of the GEM Listing Rules and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the SFO.

The Board is pleased to announce that on 16 July 2019 (after trading hours), the Company has submitted a formal application to the Stock Exchange in respect of the Proposed Transfer of Listing of (i) all the Shares in issue; and (ii) the new shares which may fall to be issued upon the exercise of share options that may be granted under the Share Option Scheme, from GEM to the Main Board pursuant to Chapter 9A and Appendix 28 of the Main Board Listing Rules and the relevant provisions of the GEM Listing Rules. The Proposed Transfer of Listing will not involve any issue of new Shares.

## **REASONS FOR THE PROPOSED TRANSFER OF LISTING**

The issued Shares have been listed and traded on GEM since 31 May 2017. The Group is principally engaged in the apparel supply chain management services selling knitwear apparel products to its customers. There has been no material change in the Company's business model, regulatory environment and industry landscape since the GEM Listing and up to the date of this announcement. As at the date of this announcement, the Board does not contemplate any material change in the nature of the business of the Group immediately following the Proposed Transfer of Listing.

The Directors consider that Main Board is a premier board on the Stock Exchange and the Proposed Transfer of Listing will increase attractiveness of Shares to investors, broaden the Company's investor base and attain higher trading liquidity for Shares, which is beneficial to the Company for its continued growth, financing flexibility and business development, and is in the overall interest of the Company and will create a long-term value to its Shareholders as a whole. In addition, the Board also believes that the Proposed Transfer of Listing will:

- enhance the profile and promote market recognition of the Company among public investors, its existing and potential customers (such as large apparel brands and sourcing agents of apparel brands) which will, in turn, have positive impact on its business developments and strengthen the confidence of its stakeholders;
- reinforce confidence of existing and potential customers and suppliers in financial strength, corporate governance and credibility of the Group because in general, Main Board is perceived to be a more advanced status for listed companies and has more stringent requirements for listing than GEM. This could be an advantage for the Group when negotiating terms for its sales and purchases; and
- promote corporate image of the Company; as such, it would be easier to retain and recruit experienced staff as well as to attract new customers.

## **NO CHANGE IN CONTROL**

There has been no change in control of the Company since the GEM Listing and up to the date of this announcement. At the time of the listing of the Company on 31 May 2017, 75% of the entire issued share capital of the Company was owned by Speed Development, which is a company incorporated in the BVI with limited liability whose issued share capital is wholly-owned by Mr. Chan. Accordingly, for the purposes of the Main Board Listing Rules and the GEM Listing Rules, Speed Development and Mr. Chan were each considered to be a Controlling Shareholder at the time of the GEM Listing. As at the date of this announcement, Mr. Chan, through his wholly-owned company, Speed Development, holds 75% of the issued share capital of the Company. Accordingly, Speed Development and Mr. Chan remain to be Controlling Shareholders as at the date of this announcement.

## **CONDITIONS OF THE PROPOSED TRANSFER OF LISTING**

The Proposed Transfer of Listing is conditional upon, among other things:

- (a) the Company's fulfilment of all the applicable listing requirements on the Main Board as stipulated in the Main Board Listing Rules;
- (b) the Stock Exchange granting approval for the listing of, and permission to deal in on the Main Board (i) all the Shares in issue; and (ii) the new shares which may fall to be issued upon the exercise of share options that may be granted under the Share Option Scheme; and

- (c) all other relevant approvals or consents required in connection with the implementation of the Proposed Transfer of Listing having been obtained, and the fulfilment of all conditions which may be attached to such approvals or consents, if any.

## LISTING RULES IMPLICATIONS

There has been no change in the Company's principal business and Controlling Shareholders since the GEM Listing and therefore, pursuant to Rule 9A.01A of the Main Board Listing Rules and the transitional arrangements set out in Appendix 28 to the Main Board Listing Rules, the Company is qualified as an Eligible Issuer (as defined in the Main Board Listing Rules) and is not required to publish a listing document.

## GENERAL

In connection with the Proposed Transfer of Listing, the Company has appointed KGI Capital Asia Limited as its sponsor in relation to the Proposed Transfer of Listing.

The Board would like to emphasise that the definitive timetable for the Proposed Transfer of Listing has not yet been finalised. There is no assurance that the Company will proceed with the Proposed Transfer of Listing. The Company will make further announcements in relation to the progress of the Proposed Transfer of Listing as and when appropriate.

**Shareholders and potential investors should be aware that the implementation of the Proposed Transfer of Listing is subject to, among others, the conditions of the Proposed Transfer of Listing as set out in this announcement being fulfilled. There is no assurance that approval and permission will be obtained from the Stock Exchange for the Proposed Transfer of Listing. Accordingly, the Proposed Transfer of Listing may or may not proceed or become effective. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Speed Apparel Holding Limited (尚捷集團控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on 19 November 2015, the issued Shares of which are listed and traded on GEM (stock code: 8183)

“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules or Main Board Listing Rules, as applicable, unless the context requires otherwise, refers to Speed Development and Mr. Chan
“Director(s)”	the director(s) of the Company or any one of them
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing”	listing of Shares on GEM on 31 May 2017
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Main Board”	the stock market operated by the Stock Exchange, prior to the establishment of GEM (excluding the options market), which continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	Mr. Chan Wing Kai (陳永啟), an executive Director, the chairman of the Board, the chief executive officer, the compliance officer and a Controlling Shareholder of the Company
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, reference in this announcement to “China” and the “PRC” do not include, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Speed Development”	Speed Development Co. Ltd, a company incorporated under the laws of the BVI on 12 November 2015 with limited liability whose issued shares are wholly-owned by Mr. Chan and is a Controlling Shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Proposed Transfer of Listing”	the proposed transfer of (i) all the Shares in issue; and (ii) the new shares which may fall to be issued upon the exercise of share options that may be granted under the Share Option Scheme from GEM to the Main Board pursuant to the relevant provisions of the GEM Listing Rules and the Main Board Listing Rules

By order of the Board  
**Speed Apparel Holding Limited**  
**Chan Wing Kai**  
*Chairman and executive Director*

Hong Kong, 16 July 2019

*As at the date of this announcement, the executive Directors are Mr. Chan Wing Kai and Mr. Ng Ming Ho; and the independent non-executive Directors are Ms. Chan Siu Lai, Mr. Kwok Chi Shing and Mr. Ma Kwok Fai, Edwin.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules and the Main Board 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.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at <http://www.hkgem.com> for a minimum period of seven days from the date of publication and on the website of the Company at <http://www.speedapparel.com.hk>.*

*The English text of this announcement shall prevail over the Chinese text in case of any inconsistencies.*