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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)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of the Securities on the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and 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).

Reference is made to the sub-sections headed “No Material Adverse Change” in the “Financial Information” section and “Foreign currency exposure and exchange rate” in the “Summary” section in the prospectus of SG Group Holdings Limited (the “**Company**”) dated 28 February 2017 (the “**Prospectus**”). As disclosed in the Prospectus, the Company expected the Group’s net profit for the year ended 30 April 2017 (the “**Year**”) to be affected by the estimated expenses in relation to the listing and foreign exchange losses on pound sterling (“**GBP**”). The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Group’s unaudited consolidated management accounts for the year, the Group is expected to record a decrease of approximately 64% in the net profit for the Year. Such decrease in the Group’s net profit was mainly as a result of (i) the increase in the listing expenses recorded for the Year, which are non-recurring in nature; and (ii) the recognition of an exchange loss due to the depreciation of GBP.

Save as disclosed above, the Group’s business for the Year has continued to grow. Based on the draft consolidated management accounts for the Year, the Group expects to record a year-on-year increase of revenue and gross profit in approximately 2% and 3%, respectively.

As the Group is still in the course of finalising its consolidated financial results for the Year, the information contained in this announcement is only based on the unaudited financial information of the Group for the Year, which has not been audited by the auditors of the Company nor reviewed by the audit and risk management committee of the Board as at the date of this announcement and is subject to possible adjustments upon further review.

Shareholders and potential investors are advised to read carefully the results announcement of the Group for the Year which is expected to be published on or around 17 July 2017.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
SG Group Holdings Limited
Choi King Ting, Charles
Executive Director and Chairman

Hong Kong, 6 July 2017

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 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 enquires, confirm that, to the best of their knowledge and belief, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 at www.hkgem.com for a minimum period of seven days from the date of the publication. This announcement will also be published on the website of the Company at www.jcfash.com.