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SEASON PACIFIC HOLDINGS LIMITED

雲裳衣控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1709)

DISCLOSEABLE TRANSACTION DISPOSALS OF LISTED SECURITIES

THE DISPOSALS

The Board announces that the Group disposed on-market of an aggregate of 16,000,000 Target Shares in a series of transactions conducted on various dates between March 2019 and June 2019, at the average price per Target Share between HK\$0.52 and HK\$4.02 per Target Share for an aggregate gross sale proceeds of HK\$26,241,000 (excluding transaction costs).

LISTING RULES IMPLICATION

Each of the Previous Disposals and the Further Disposal, on a standalone basis, does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Disposals are aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these Disposals involve the disposal of securities in one particular company within a 12-month period. The Previous Disposals, on an aggregate basis, do not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

As one of the relevant percentage ratios in respect of the Disposals on an aggregated basis is more than 5% but less than 25%, the transactions contemplated under the Disposals constituted discloseable transaction of the Company under Chapter 14 of the Listing Rules.

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* *For identification purpose only*

Assets disposed

The particulars of the Disposals are set out below:

	Date	Number of Target Shares sold	Average price per Target Share	Aggregate gross sale proceeds (excluding transaction costs)
Previous Disposals	Various dates between March 2019 and April 2019	6,000,000	HK\$3.10 to HK\$4.02	HK\$20,981,000
Further Disposal	27 June 2019	<u>10,000,000</u>	HK\$0.52 to HK\$0.53	<u>HK\$5,260,000</u>
		TOTAL: <u>16,000,000</u>	TOTAL:	<u>HK\$26,241,000</u>

The 16,000,000 Target Shares disposed by the Group represent 4% of the issued shares of the Target Company based on the total number of issued shares of 400,000,000 of the Target Company as at 31 May 2019 according to the monthly return of the Target Company dated 3 June 2019.

Before the Disposals, the Group held a total of 16,000,000 Target Shares. After the Disposals, the Group does not hold any Target Shares.

Consideration

The aggregate gross sale proceeds of the Disposals is HK\$26,241,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for each of the Disposals represented the market price of the Target Shares at the time of each of the Disposals.

As each of the Disposals was made on the market, the Company is not aware of the identities of the purchasers of the Target Shares. The Directors confirmed that, to the best of their knowledge, information and belief having made all reasonable enquiry, each of the purchasers of the Target Shares and their respective ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The purpose of the Previous Disposals is to realise the Company's investment in the Target Shares and to obtain additional cash flow. In relation to the Further Disposal, due to the extremely volatile trading prices of the Target Shares from 25 June 2019 to 27 June 2019, the Company has decided to sell the remaining Target Shares in the Further Disposal in order to limit a potential loss should the price of the Target Shares would fall further. As a result of the Disposals, the Group is expected to recognise a net gain of approximately HK\$6.3 million which is calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of transaction costs) of the Target Shares. The Group intends to use the proceeds of the Disposals for general working capital.

The Disposals were made at market price and the Directors (including the independent non-executive Directors) are of the view that the Disposals will enhance the liquidity of the Company, was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE GROUP AND THE TARGET COMPANY

The principal activity of the Company is investment holding and its subsidiaries are principally engaged in sales of apparel products with the provision of supply chain management total solutions to customers.

According to the publicly available information, the Target Company is a company principally engaged in the design, develop, manufacture and sell beauty products.

The following financial information of the Target Company is extracted from the annual report of the Target Company for the year ended 31 December 2018:

	For the year ended	
	31 December	
	2018	2017
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	258,782	179,369
Profit before taxation	39,009	9,702
Profit for the year attributable to owners of the Target Company	32,249	5,470

IMPLICATION UNDER THE LISTING RULES

Each of the Previous Disposals and the Further Disposal, on a standalone basis, does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Disposals are aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these Disposals involve the disposal of securities in one particular company within a 12-month period. The Previous Disposals, on an aggregate basis, do not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

As one of the relevant percentage ratios in respect of the Disposals on an aggregated basis is more than 5% but less than 25%, the transactions contemplated under the Disposals constituted discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Season Pacific Holdings Limited, a company incorporated under the law of the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the director(s) of the Company
“Disposal”	collectively, the Previous Disposals and the Further Disposal
“Further Disposal”	the disposal by the Company of a total of 10,000,000 Target Shares on the market on 27 June 2019 at the average price per Target Share ranging from HK\$0.52 to HK\$0.53 for an aggregate gross sale proceeds of HK\$5,260,000 (excluding transaction costs)
“Group”	collectively, the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Previous Disposals”	the disposal by the Company of a total of 6,000,000 Target Shares on the market on various dates between March 2019 and April 2019 at the average price per Target Share ranging from HK\$3.10 to HK\$4.02 for an aggregate gross sale proceeds of HK\$20,981,000 (excluding transaction costs)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Takbo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange (stock code: 8436)
“Target Share(s)”	share(s) of the Target Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Season Pacific Holdings Limited
Cheung Lui
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 June 2019

As at the date of this announcement, the executive Directors are Mr. Cheung Lui, Ms. Jiang Xinrong and Mr. Yu Xiu Yang, the non-executive Directors are Ms. Chin Ying Ying and Mr. Li Ren; and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Choi Sheung Jeffrey and Ms. Luk Huen Ling Claire.