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## **SITOY GROUP HOLDINGS LIMITED**

時代集團控股有限公司

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

**(Stock Code: 1023)**

### **TERMINATION OF CONTINUING CONNECTED TRANSACTION IN RELATION TO LEASING OF PREMISES**

This announcement is made by Sitoy Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 14A.35 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Reference is made to the announcement of the Company dated 1 June 2018 (the “**Announcement**”) in relation to, among others, the leasing of certain premises by the Company which constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

#### **TERMINATION OF TENANCY AGREEMENT B**

As disclosed in the Announcement, on 1 June 2018, Sitoy HK (as tenant), an indirect wholly-owned subsidiary of the Company, entered into Tenancy Agreement B with Company B (as landlord) in relation to the leasing of Premises B to Sitoy HK for a term of 36 months from 1 July 2018 to 30 June 2021 (both days inclusive) at a monthly rent of HK\$200,000 (inclusive of government rent, government rates and management fees). Premises B has been used as executive quarters of the Group with a view to recognising and rewarding the contributions of the executive members of the Group.

On 31 December 2018, Sitoy HK and Company B entered into a termination agreement (the “**Termination Agreement**”) pursuant to which both parties have agreed to terminate Tenancy Agreement B with effect from 31 December 2018. Upon termination of Tenancy Agreement B and delivery of vacant possession of Premises B to Company B by Sitoy HK, Sitoy HK and Company B shall be released and discharged from their respective further liabilities and obligations thereunder absolutely.

## **REASONS FOR THE TERMINATION**

The Board has been informed that since Company B intended to dispose of Premises B, Tenancy Agreement B had to be terminated.

The Directors (including the independent non-executive Directors) are of the view that the Termination Agreement has been negotiated on an arm's length basis, entered into in the ordinary and usual course of business of the Company and is on normal commercial terms which are fair and reasonable, and is in the interests of the Company and its shareholders as a whole. In addition, the Directors are of the view that the entering into of the Termination Agreement will not cause any material adverse effect on the operation, business and financial position of the Group.

## **GENERAL INFORMATION**

The Group is principally engaged in design, research, development, manufacture, sale, retailing and wholesale of handbags, small leather goods and travel goods, footwear and fashion products provision of advertising and marketing services and property investment.

Company B is principally engaged in property investment. It is directly wholly-owned by Mr. Teras Yeung, a substantial shareholder, the chief executive officer and an executive Director of the Company.

By order of the Board  
**Sitoy Group Holdings Limited**  
**Yeung Michael Wah Keung**  
*Chairman*

Hong Kong, 31 December 2018

*As at the date of this announcement, the executive Directors are Mr. Yeung Michael Wah Keung, Mr. Yeung Wo Fai, Mr. Yeung Andrew Kin and Mr. Lau Kin Shing, Charles; and the independent non-executive Directors are Mr. Yeung Chi Tat, Mr. Kwan Po Chuen, Vincent and Mr. Lung Hung Cheuk.*