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S.Culture
INTERNATIONAL HOLDINGS LIMITED

S. CULTURE INTERNATIONAL HOLDINGS LIMITED
港大零售國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1255)

FULFILLMENT OF PROFIT UNDERTAKINGS IN RELATION TO DISCLOSEABLE TRANSACTION — ACQUISITION OF THE TARGET COMPANIES

Reference is made to the announcements of S. Culture International Holdings Limited (the "**Company**") dated 19 January 2018 and 27 July 2018 in respect of the Acquisition (the "**Announcements**"). Unless otherwise defined, capitalized terms used herein have the same meanings as those defined in the Announcements.

Pursuant to the Agreement, if the aggregate audited net profit as shown in the 2018 Accounts shall be (i) more than HK$8,000,000 but less than HK$10,000,000, the consideration for the Acquisition shall be adjusted downward to HK$35,700,000 and the Escrowed Amount (i.e. HK$5,100,000) shall then be refunded to the Purchaser; or (ii) less than HK$8,000,000, the consideration for the Acquisition shall be adjusted downward to HK$35,700,000 and the Escrowed Amount shall be refunded to the Purchaser. The Purchaser shall further be paid an amount equal to such shortfall of the net profit on a dollar-to-dollar basis (i.e. the difference between HK$8,000,000 and the aggregate audited net profit in 2018 Accounts) (the "**Profit Undertakings**").

The Board is pleased to announce that the aggregate audited net profit of the Target Companies as shown in the 2018 Accounts was approximately HK$12,000,000 (more than HK$10,000,000 as required under the Profit Undertakings), the Profit Undertakings has been fulfilled and the Escrowed Amount will be released to the Vendors pursuant to the terms of the Agreement.

By Order of the Board
S. CULTURE INTERNATIONAL HOLDINGS LIMITED
Yang Jun
Chairman

Hong Kong, 26 April 2019

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Yang Jun, Mr. Lin Zheming and Mr. Zhu Fangming, three non-executive Directors, namely, Mr. Law Fei Shing, Mr. Lin Jun and Mr. Chu Chun Ho, Dominic and three independent non-executive Directors, namely, Mr. Xie Rongxing, Mr. Chen Huigang and Mr. Lum Pak Sum.