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SHARE ECONOMY GROUP LIMITED

(共 享 經 濟 集 團 有 限 公 司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1178)

RESIGNATION OF DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of Share Economy Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that on 26 September 2017, each of Mr. Xu Zhifeng (“**Mr. Xu**”), Mr. Chan Shun Yee (“**Mr. Chan**”), Mr. Su Rujia (“**Mr. Su**”) and Dr. Wang Edward Xu (“**Dr. Wang**”) has tendered his resignation as an executive Director, a non-executive Director, an independent non-executive Director and an independent non-executive Director respectively, which became effective from 27 September 2017 when a validly convened Board meeting had been held on 27 September 2017 and such notice of resignations was brought to the attention of the Board.

In the resignation letter of each of Mr. Xu, Mr. Chan, Mr. Su and Dr. Wang, no reason for his resignation was set out. None of Mr. Xu, Mr. Chan, Mr. Su and Dr. Wang has confirmed that he has any disagreement with the Board or whether there is any other matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Save as disclosed below, (i) the Board is not aware whether each of Mr. Xu, Mr. Chan, Mr. Su and Dr. Wang has any disagreement with the Board and any matter in respect of his resignation that needs to be brought to the attention of the Shareholders and the Stock Exchange; and (ii) the Board is not aware whether any of Mr. Xu, Mr. Chan, Mr. Su and Dr. Wang has claims against the Group whether by way of compensation, severance payments, expenses, damages or otherwise.

As set out in Mr. Xu’s resignation letter, Mr. Xu requested the Company to paid up the outstanding director’s fee of HK\$1,300,000. The Company is in contacting him to handle the matter.

Each of Mr. Xu and Mr. Chan, during his office as directors of the Company and certain subsidiaries of the Company, has retained and misappropriated documents of the Group that were in his possession and has failed to deliver the same to the Group. The Group is in the progress of obtaining legal advice as to what appropriate legal action, if any, should be taken against any of Mr. Xu and Mr. Chan.

Each of Mr. Su and Dr. Wang has ceased to be a member of the audit committee (the “**Audit Committee**”) of the Board and a member of each of the remuneration committee (the “**Remuneration Committee**”) of the Board with effect from 27 September 2017. Dr. Wang has ceased to be the chairman of the nomination committee (the “**Nomination Committee**”) of the Board and Mr. Su has ceased to be a member of the Nomination Committee with effect from 27 September 2017.

As the effective date of the resignation is 27 September 2017, each of Mr. Xu, Mr. Chan, Mr. Su and Dr. Wang did not attend the board meeting held on 27 September 2017 to approve, inter alia, the release of the annual results of the Company and its subsidiaries for the year ended 30 June 2017 and considering the declaration and recommendation for payment of a final dividend, if any.

Following the resignation of Mr. Su and Dr. Wang, the Company has two independent non-executive directors and two audit committee members. As a result, the current number of independent non-executive Directors and audit committee members falls below the minimum number required under Rule 3.10(1) and Rule 3.21 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) respectively.

Following the resignation of Mr. Xu, Mr. Su, Mr. Chan and Dr. Wang, (i) the Board comprises seven members with four executive Directors, one non-executive Director and two independent non-executive Directors. As a result, the number of independent non-executive Directors is less than one-third of the Board which is below the minimum requirement prescribed under Rule 3.10A of the Listing Rules; and (ii) the Company has two nomination committee members but the position of chairman is vacant, which does not comply with code provision A.5.1 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

The Board is currently identifying suitable candidate to fill the vacancy and will ensure that an additional independent non-executive Director will be appointed as soon as practicable and within three months from the date of this announcement in order to ensure compliance by the Company with Rules 3.10(1), 3.10A and 3.21 of the Listing Rules and code provision A.5.1 of the Corporate Governance Code. The Company will release a further announcement as soon as practicable after the appointment of the new independent non-executive Director.

By order of the Board
Share Economy Group Limited
Zhou Guohua
Executive Director

Hong Kong, 27 September 2017

As at the date of this announcement, the Board comprises Mr. Zhou Guohua, Mr. Wong Kui Shing, Danny, Ms. Meng Xiaoqian and Ms. Christina Chan as executive Directors; Mr. Zhou Jian as non-executive Director; and Mr. Ng Kwok Kei Sammy and Mr. Chen Zhihua as independent non-executive Directors.