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S&S Intervalue China Limited

搜搜互聯(中國) 科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8506)

QUARTERLY UPDATE ON STATUS OF RESUMPTION OF TRADING AND CONTINUED SUSPENSION OF TRADING

This announcement is made by S&S Intervalue China Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 17.10(2) and 17.26A of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to (i) the announcements of the Company dated 30 December 2020, 10 March 2021, 20 May 2021 and 4 June 2021 in relation to, among other things, the unauthorised provision of guarantees by an indirect wholly-owned subsidiary of the Company (the “**Unauthorised Guarantees**”); (ii) the announcement of the Company dated 1 April 2021 in relation to the suspension of trading in the shares of the Company (the “**Shares**”) on the Stock Exchange; (iii) the announcements of the Company dated 25 March 2021, 4 May 2021 and 28 May 2021 in relation to, among other things, the possible delay or delay in publication of the 2020 Annual Results, the 2020 Annual Report, the 2021 First Quarterly Results and the 2021 First Quarterly Report; and (iv) the announcements of the Company dated 16 June 2021 (the “**Resumption Guidance Announcement**”) and 30 June 2021 and 30 September 2021, in relation to, among other things, the Resumption Guidance (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements.

UPDATE ON THE BUSINESS OPERATIONS OF THE GROUP

The Group is principally engaged in research and development, manufacturing and sale of circular knitting machines. Currently, the Group derives its revenue mainly from the sales of circular knitting machines (i) domestically under the Group’s own brands; and (ii) overseas either under the Group’s own brands or the brands specified by trading companies purchasing on OEM (original equipment manufacturer) basis.

UPDATE ON RESUMPTION PROGRESS

A Big 4 forensic accountant has been engaged as the independent forensic accountant on 20 August 2021. As at the date of this announcement, the investigation has been substantially completed.

On 31 December 2021, the Company announced that it discovered that Zhangzhou Kaixing granted a guarantee to the Xiamen Free Trade Zone Gaoqi Branch of Xiamen Rural Commercial Bank Co., Ltd. on 21 October 2020 and both parties reached a settlement agreement in May 2021 after arbitration.

Please note that the above-mentioned development does not necessarily indicate that trading in the Shares will be resumed. Accordingly, shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021. Pending fulfilment of the Resumption Guidance, trading in the Shares on the Stock Exchange will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
S&S Intervalue China Limited
Cheng Jun
Chairman and executive Director

Hong Kong, 31 December 2021

As at the date of this announcement, the executive Directors are Mr. Cheng Jun (Chairman), Mr. Guan Min and Mr. Wang Kun; the non-executive Director is Mr. Hu Lixiang; and the independent non-executive Directors are Mr. Shum Shing Kei, Mr. Chan Ka Leung Kevin and Mr. Wong Wah.

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 enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.kx-machine.com.