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星美控股

SMI HOLDINGS GROUP LIMITED

星美控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 198)

**INSIDE INFORMATION
WINDING UP PETITION AGAINST A SUBSIDIARY**

This announcement is made by SMI Holdings Group Limited (the “**Company**”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

On 29 October 2019, SMI International Cinemas Limited, an indirectly wholly-owned subsidiary of the Company (the “**Subsidiary**”), received a petition dated 23 October 2019 (the “**Petition**”) filed by 北京華觀鼎成文化發展有限責任公司 (Beijing Huaguan Dingcheng Culture Development Company Limited*) (the “**Petitioner**”) against the Subsidiary in the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) for an order that the Subsidiary be wound up by the High Court. Pursuant to a judgment entered on 19 February 2019 in respect of an action brought by the Petitioner against the Subsidiary, the High Court ordered the Subsidiary to pay the Petitioner (i) the sum of RMB914,150 together with contractual compensation thereon at the rate of RMB15.885 per day from 23 October 2017 to the date of the judgment and thereafter at the judgment rate until payment; and (ii) fixed costs of HK\$11,045 (collectively, the “**Debt**”). The Petition was filed against the Subsidiary for its failure to pay the Debt to the Petitioner. The Petition will be heard before the High Court on 18 December 2019.

The Subsidiary is in the course of seeking legal advice on the matter. In view of the amount involved, the Company considers that the Subsidiary should have sufficient financial resources to pay the Petitioner and settle the Debt. The Company will keep its shareholders and investors informed of any significant development of the Petition as and when appropriate.

* For identification purpose only

CONTINUED SUSPENSION OF TRADING OF SHARES

Dealings in the Company's shares have been suspended with effect from 9:00 a.m. on 3 September 2018. Trading in the shares of the Company will remain suspended until further notice. The Company will keep its shareholders informed of the latest developments by publishing further announcement(s) as and when appropriate. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
SMI Holdings Group Limited
Kenneth Jack Shang
Executive Director

Hong Kong, 29 October 2019

As at the date of this announcement, the Board of Directors comprises seven Directors, including Mr. Kenneth Jack Shang and Mr. Zhang Yong as executive Directors, Mr. Jason Chia-Lun Wang and Mr. Peter Torben Jensen as non-executive Directors and Mr. Pang Hong, Mr. Li Fusheng and Mr. Wong Shui Yeung as independent non-executive Directors.