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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)**

**(In Liquidation)**

**INSIDE INFORMATION  
UPDATES ON RECENT DEVELOPMENTS  
CONTINUED SUSPENSION OF TRADING IN THE SHARES**

This announcement is published by SMI Holdings Group Limited (In Liquidation) (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 3 September 2018, 14 September 2018, 21 September 2018, 6 December 2018, 24 December 2018, 7 March 2019, 9 April 2019, 2 June 2019, 2 September 2019, 2 December 2019 and 3 March 2020. The Joint and Several Liquidators of the Company (the “**JSLs**”) provide herewith an update on certain recent developments of the Group on the basis of information made available:

**1. Winding-up Order**

Reference is made to the announcements of the Company dated 15 April 2019, 12 June 2019, 2 July 2019, 30 July 2019, 12 August 2019, 3 March 2020, 8 May 2020

and 15 May 2020, the Company was ordered to be wound up by the High Court of Hong Kong pursuant to a Winding-up Order dated 7 May 2020 and the appointment of the JSLs was made pursuant to a Regulating Order dated 12 May 2020.

Upon the making of the Winding-up Order, creditors of the Company who are prepared to submit their proof of debts are required to complete a prescribed Proof of Debt Form (Form 63A) and submit the same to the Official Receiver's Office at 10th to 12th Floors, High Block, Queensway Government Offices, 66 Queensway, Hong Kong or the offices of the JSLs at 43/F., Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. The Proof of Debt Form can be obtained from the Official Receiver's Office or downloaded from their website.

The Company will make further announcement if and when there is any material development of the progress of winding-up.

## **2. Financial position and business operations**

References are made to the announcements of the Company dated 28 February 2020 and 3 March 2020 in relation to the Group's operation of approximately 330 movie theatres in the People's Republic of China (the "PRC").

To the best knowledge of the JSLs with enquiries made to the Chairman, Mr. Kenneth Jack Shang, and management of the Company, the Company has continued suspension of its cinemas operations in the mainland China due to the outbreak of the Covid-19 pandemic and the curbing and quarantine policies adopted by local PRC government. Resumption of cinemas operations is highly dependent on the development of the coronavirus and notification of change of local government policies. The Company will make further announcements as soon as it is practicable to do so.

References are made to the announcements of the Company dated 7 March 2019, 8 March 2019 and 3 March 2020 in relation to the changes in shareholding in certain subsidiaries of the Group. The Company announced to have engaged PRC legal advisors to ascertain the shareholding of its subsidiaries in the PRC. The JSLs are following up on this matter aiming to obtain the relevant PRC legal advice as soon as practicable. The Company will make further announcement as and when appropriate and as required by the Listing Rules and/or the Inside Information Provisions.

### 3. Possible disposal

References are made to the announcements of the Company dated 11 September 2019 and 3 March 2020 in which it referred to the Company's announcement dated 11 September 2019 that the Company (as vendor) entered into a non-binding memorandum of understanding (the "MOU") with SMI Culture & Travel Group Holdings Limited (as purchaser) ("SMIC") in respect of the mutual intentions on the possible disposal of (i) all equity interests beneficially held by the Company in its subsidiary, 成都潤運文化傳播有限公司(Chengdu Runyun Culture Broadcasting Limited), which is indirectly beneficially owned by the Company and (ii) all other cinemas interests in the PRC beneficially owned by the Group (the "**Possible Disposal**").

To the best knowledge of the JSLs, no formal agreement has been entered into between the parties in relation to the Possible Disposal and the JSLs are seeking further information of the Possible Disposal. Further announcement(s) of this matter will be made by the Company as and when appropriate and comply with all applicable requirements under the Listing Rules as and when necessary.

Reference is also made to the joint announcement made by the Company and SMIC on 13 January 2020 in relation to the appointment of the joint and several interim receivers of 829,185,517 shares in SMIC ("**Receivers**") which were held and owned by SMI Investment (HK) Limited, a subsidiary of the Company but charged to Emperor Securities Limited by way of share and deposit charge dated 8 September 2016 ("**Charged Shares**"). The Charged Shares represent 52.51% of the issued shares capital of SMIC.

According to the announcements dated 26 February 2020, 25 March 2020, 24 April 2020 and 25 May 2020 made by SMIC, Time Oasis Limited, a direct wholly-owned subsidiary of the Emperor Culture Group Limited (the "**Potential Purchaser**") issued a letter of intent to the Receivers, which sets out the intention of the Potential Purchaser to acquire the interests in SMIC. The negotiations between the Potential Purchaser and the Receivers for the acquisition of all or certain of the Charged Shares is still ongoing

### 4. Debt restructuring

References are made to the announcements of the Company dated 6 December 2018, 7 March 2019 and 3 March 2020, the Company announced that the Group has been

negotiating and discussing with the lenders and creditors in relation to the possibility of providing additional funding to the Group as well as the possible settlement arrangements, including the conversion of their debts or a portion thereof into equity of the Company. To the best knowledge of the JSLs, no agreement or material terms in relation to the above arrangements have been entered into or agreed between the Group and its lenders or creditors before the making of the Winding-up Order on 7 May 2020. The Company will make further announcement as and when appropriate and as required by the Listing Rules and/ or the Inside Information Provisions.

## **5. Corporate bond**

As announced by the Company on 27 March 2018 and 3 March 2020, the Group received subscription offers from financial institutions regarding the issuance of bonds with an aggregate principal amount of not more than RMB1,000,000,000 with a term of not more than three years (the “**Bonds**”) proposed to be listed on the Shenzhen Stock Exchange. To the best knowledge of the JSLs, the Company has not received any further update from the China Securities Regulatory Commission as at the date of Winding-up on 7 May 2020. The Company will publish further announcement(s) in relation to the Bonds and comply with all other applicable requirements under the Listing Rules as and when necessary.

## **6. Application for a Review Request of the Decision of the Listing Committee**

Reference is made to the Company’s announcements dated 21 September 2018 and 9 April 2019 in relation to the guidance for resumption of trading of the Shares imposed on the Company by the Stock Exchange, and announcement dated 22 May 2020 in relation to the application to the Listing Review Committee of the Hong Kong Stock Exchange seeking a review of the Listing Decision pursuant to Rule 2B.08(1) of the Listing Rules.

On 25 May 2020, the Listing Review Committee of the Stock Exchange informed the Company to prepare written submissions and supplementary written submissions (if any) by 26 June 2020 and 10 July 2020 respectively. The Company, upon consultation with its advisors, is working on the submissions to be lodged before the deadlines.

The Company will make further announcement if and when there is any material development.

## **CONTINUED SUSPENSION OF TRADING IN SHARES**

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 Monday, 3 September 2018 and will remain suspended until further notice. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

For and on behalf of  
**SMI Holdings Group Limited**  
**(In Liquidation)**  
**Hou Chung Man**  
**Kan Lap Kee**  
*Joint and Several Liquidators*  
*acting as agents of the Company without*  
*personal liabilities*

Hong Kong, 12 June 2020

*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*