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South Shore Holdings Limited

南岸集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 577)

- (1) INSIDE INFORMATION – STATUTORY DEMAND;**
- (2) ESTABLISHMENT OF SPECIAL COMMITTEE;**
- (3) VOLUNTARY ANNOUNCEMENT;**
- (4) RESUMPTION OF TRADING**

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

INSIDE INFORMATION – STATUTORY DEMAND

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that, on 2 June 2021 the Company received a statutory demand (the “**Statutory Demand**”) dated 31 May 2021 from the legal adviser acting on behalf of the creditor pursuant to Section 327(4)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of Laws of Hong Kong), demanding the Company to pay the amount of HK\$3,279,307,116.80 (the “**Debt**”), being: (1) HK\$2,841,924,035.03 for the outstanding principal of a Facility Agreement in respect of HK\$3,045,000,000.00 Term Loan Facility dated 11 April 2014 (the “**Facility Agreement**”); (2) HK\$79,056,292.16 accrued interest on the outstanding principal in relation to the Facility Agreement; (3) HK\$324,223,701.18 default interest on the outstanding principal in relation to the Facility Agreement; (4) HK\$5,683,848.07 handling fee in respect of the Facility Agreement; and (5) HK\$28,419,240.36 management fee in respect of the Facility Agreement.

If the Company fails to repay the Debt within 3 weeks from the date of service of the Statutory Demand, the creditor may present a winding up petition against the Company.

The Company is considering taking legal advice in this regard. As the Board has only recently received the Statutory Demand, it will take some time for the Board to assess the situation. Further announcement(s) relating to the Statutory Demand will be made by the Company as and when appropriate or as required under the Listing Rules.

ESTABLISHMENT OF SPECIAL COMMITTEE

On 1 June 2021, the Board resolved to establish a special committee (the “**Special Committee**”), initially comprising 2 Executive Directors and 3 Independent Non-executive Directors, namely Mr Chow Chi Wah, Vincent, Ms Chow Mun Yee, Dr Lo Wing Yan, William, *JP*, Mr Choi Wai Hong, Clifford and Ms Liu Tsui Fong. The purpose of the Special Committee is to deal with all matters relating to hotel business and outstanding loans of the Group. The Special Committee may also appoint other professional advisers to assist in its investigation.

VOLUNTARY ANNOUNCEMENT

Reference is made to the inside information announcement made by the Company dated 21 May 2021 (the “**21 May 2021 Announcement**”) and the inside information announcement dated 1 June 2021 published by Blue River Holdings Limited (Stock Code: 498) (the “**Blue River Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the respective same meanings as those defined in the 21 May 2021 Announcement and the Blue River Announcement.

According to the Blue River’s Announcement, Blue River Holdings Limited (“**Blue River**”, together with its subsidiaries, the “**Blue River Group**”) received 10% shareholder voting rights (the “**Voting Rights**”) in Paul Y. Engineering Group Limited (“**PYE**”) from an independent third party at nil consideration. Accordingly, the results of PYE will have to be accounted for as a subsidiary of Blue River in the consolidated financial statements of the Blue River Group for the upcoming six months ending 30 September 2021 and the upcoming full year ending 31 March 2022 and beyond.

It is emphasised that the Company and the Board are not in a position to comment on another listed company’s affairs.

However, the Company would like to re-iterate, as disclosed in the 21 May 2021 Announcement, the Company (through its wholly-owned subsidiary) did execute the Share Charge dated 5 December 2016 over the shares of The 13 (BVI) Limited (“**The 13 (BVI)**”) which would entitle Wise Park to dispose of The 13 (BVI) in case of the Company’s default of repayment of the loan. The Company has been informed that Wise Park has already enforced the Share Charge and sold The 13 (BVI) to a third party. In the circumstances, it is highly probable that PYE will no longer be a subsidiary of the Company and the results of PYE will not be consolidated into the Group’s consolidated financial statements.

RESUMPTION OF TRADING

Reference is also made to the Company’s announcement dated 2 June 2021, pursuant to which it was disclosed that all dealings in the shares of the Company were halted with effect from 1:00 p.m. on 2 June 2021.

Request will be made by the Company to The Stock Exchange of Hong Kong Limited for the resumption of trading of the shares of the Company expectedly with effect from 9:00 a.m. on 4 June 2021.

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

By Order of the Board of
South Shore Holdings Limited
Peter Lee Coker Jr.
Chairman (Executive Director)

Hong Kong, 3 June 2021

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr Peter Lee Coker Jr. (*Chairman*)
Mr Chow Chi Wah, Vincent
Ms Chow Mun Yee

Independent Non-Executive Directors:

Dr Lo Wing Yan, William, *JP*
Mr Choi Wai Hong, Clifford
Ms Lam Yan Fong, Flora
Ms Liu Tsui Fong