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**森美(集團)控股有限公司**  
**Summi (Group) Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 00756)**

**VOLUNTARY ANNOUNCEMENT**  
**LETTER OF INVESTMENT INTENT**  
**IN RELATION TO THE RUIER SUMMI COMMERCIAL COMPLEX**  
**AND BOUTIQUE RESIDENTIAL PROJECTS ENTERED INTO**  
**WITH LIAOZHONG DISTRICT GOVERNMENT**  
**AND JIANGSU RUIER REAL ESTATE GROUP CO., LTD**

This announcement is made by Summi (Group) Holdings Limited (the “**Company**”) on a voluntary basis. The Board of Directors (the “**Board**”) is pleased to announce that on 16 November 2020 (after trading hours), the Company, Jiangsu Ruier Real Estate Group Co., Ltd.\* (江蘇瑞爾地產集團有限公司) (“**Jiangsu Ruier**”) and Liaozhong District Government entered into a letter of investment intent (the “**LOI**”), pursuant to which, the Company and Jiangsu Ruier will participate in the bidding of the land use right of No. 6, Pudong New Town, Liaozhong District, Shenyang City, the PRC and the Lianhuahu Park (the “**Target Land**”) from Liaozhong District Government through public tendering. In the event that the the Company and Jiangsu Ruier successfully win the bid and obtaining the state-owned land use certificate, the Company and Jiangsu Ruier will jointly develop and invest the Ruier Summi commercial complex and boutique residential projects (the “**Project**”) in the Target Land. The expected total investment of the project is approximately RMB2.5 billion.

The LOI is not legally binding, subject to and depending on, among others, the possibility of winning the bid and obtaining the state-owned land use certificate and construction permit in the process of public tendering. The relevant investment shall be subject to the formal agreement after the conclusion of public tendering.

According to LOI, the Company agreed to bid the Target Land and invest in the Project through public tendering, aiming to develop real estate projects of the Group. Further details of the terms and conditions under the Project are set out in LOI.

Mr. Wu Shaohao, who is the chairman of the Company and executive director of the Company and Mr. Wu Liantao, who is the executive director of the Company, beneficially own 98.2% and 1.3% equity interest in Jiangsu Ruier, respectively. Jiangsu Ruier is a connected person of the Company under the Listing Rules.

**As it is uncertain whether the Company can be successful in acquiring the land use right of the Target Land, the investment in the Project may or may not materialize. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## GENERAL INFORMATION

The LOI aims to provide a framework consensus for all parties and does not constitute any formal agreement. If the Project is materialized, the transaction and certain business arrangements contemplated thereunder would constitute a notifiable transaction for the Company pursuant to the Listing Rules. The Company should comply with relevant requirements of the Listing Rules when entering into a formal agreement on the Project.

## BACKGROUND

The Company is principally engaged in manufacturing and selling of Summi Products, frozen concentrate orange juice and its related products. The Group owns five highly efficient production plants, strategically located in China's major citrus growing areas. The Group adopts an integrated operation model, and is one of the few orange juice producers involved in upstream operations of orange plantations. The Board considers the entering into the LOI is in the interests of the Company and the shareholders of the Company as a whole as the investment intent contemplated under the LOI, if materialized, is expected to diversify the Company's revenue stream of the Company, which is consistent with the Company's business strategy. The framework LOI, which sets out the framework of the strategic cooperation among the Company, Jiangsu Ruier and Liaozhong District Government may or may not lead to the entering into a definitive agreement (if any) and the transaction contemplated thereunder may or may not be consummated. The Company will make further announcement(s) as and when appropriate and comply with all other applicable requirements under the Listing Rules.

The major terms and subject matters of the LOI are summarized as follows:

**Date**

16 November 2020

**Project Name**

The Letter of Investment Intent in relation to the Ruier Summi Commercial Complex and Boutique Residential Project

**Parties**

Party A: Liaozhong District Government

Party B: Jiangsu Ruier

Party C: The Company

To the best of their knowledge, information and belief and having made all reasonable enquiries, the Directors confirm that Party A is a statutory governmental authority of the PRC, is an independent third party and not connected with the Company and its Connected Persons (as defined in the Stock Exchange's Main Board Listing Rules) respectively, and Party B is Jiangsu Ruier. Mr. Wu Shaohao, who is the chairman of the Company and executive director of the Company and Mr. Wu Liantao, who is the executive director of the Company, beneficially own 98.2% and 1.3% equity interest in Jiangsu Ruier, respectively. Jiangsu Ruier is a connected person of the Company under the Listing Rules.

**The Land Parcel Acquired through Public Tendering**

The Target Land is located at No. 6, Pudong New Town, Liaozhong District and the Lianhuahu Park, and reaches the boundary of Binhe Street (濱河街) in the east, Yingbin Road (迎賓路) in the south, Pu'an Street (蒲安街) in the west and Binshui Road (濱水路) in the north, with an aggregate site area of approximately 333,000 square meters, where commercial complexes, city squares and boutique residence will be erected on.

**Tender Deposit**

Pursuant to the LOI, the Company shall pay the tender deposit of HK\$10 million (the "Tender Deposit") within 10 days upon the execution of the LOI in order to participate in the bidding of the Target Land.

## **Subject Matter**

The planned total investment of the Project amounts to approximately RMB2.5 billion. The Project occupies a site area of approximately 333,000 square meters with a planned gross floor area of approximately 500,000 square meters, and consists of commercial complexes, city squares, boutique residence and relevant ancillary facilities. The specific planned area and economic and technical indicators are subject to the final plan between Party B and Party C and the relevant data required by the Bureau of Natural Resources.

The land use right of the Target Land, which is approximately 333,000 square meters, shall be obtained by Party B and Party C by way of public tendering, and final area and price of transferred land are subject to the result of the open tender auction. Upon the conclusion of the public tendering, Party B and Party C shall pay the land transfer fee in accordance with the amount and time specified in the transaction confirmation.

If the Company is successfully awarded the land use right of the Target Land, the Company will enter into a formal agreement with Liaozhong District Government for transfer of the state land use right of the Target Land and will pay the consideration. The final consideration for the land use right of the Target Land will depend on the result of the public tendering. The land transfer fee and the proportion to be paid by Party B and Party C will be determined after the successful bidding of the Target Land. Party C agrees to pay land transfer fee of HK\$20 million as a deposit upon the successful acquisition of phase one land of approximately 66,666 square meters.

The Tender Deposit will be converted into part of the land transfer fee upon acquisition of the Target Land.

If Party A fails to commence the land consolidation work and issue the land transfer announcement within 15 working days upon successful bidding of the Tender Land, Party A should return the Tender Deposit to Party C within 30 days. In the event that Party B and Party C fail to win the bid or the successful bidder is other companies, Party A should return the Tender Deposit to Party C within 30 days after the auction.

## **Establishment of a joint venture**

The Company and Jiangsu Ruier will establish a joint venture for the purpose of bidding the Target Land and development of the Project (the “**Joint Venture**”). The amount of share capital and the shareholding structure of the Joint Venture will be determined after the successful bidding of the Target Land.

## REASONS FOR AND BENEFITS OF ENTERING INTO THE LOI

The Board believes that the Project will bring effective economic benefits to the Group as the Project may diversify the Group's business and may contribute new revenue stream for the Group. In view of the above and after considering the project framework of the LOI, the Board (including the independent non-executive directors) considers the entering into the letter of investment intent with the People's Government of Liaozhong District and Jiangsu Ruier in respect of the Project is in the interest of the Company and the shareholders as a whole, and the terms thereof are on normal commercial terms and fair and reasonable.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers. Further announcement will be made by the Company as and when appropriate and necessary.**

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

“Board”	the current board of Directors of the Company
“Company”	森美（集團）控股有限公司 Summi (Group) Holdings Limited (Stock Code: 756), a company incorporated under the laws of the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Group”	the Company and its subsidiaries
“Independent third party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is/are third party (ies) independent of the Company and connected persons (as defined under the Listing Rules) of the Company

“Jiangsu Ruier”	Jiangsu Ruier Real Estate Group Co., Ltd.* (江蘇瑞爾地產集團有限公司), is a company incorporated in the PRC with limited liability. Mr. Wu Shaohao, the chairman of the Company and executive director of the Company and Mr. Wu Liantao, the executive director of the Company, beneficially own 98.2% and 1.3% of equity interest in Jiangsu Ruier, respectively
“Liaozhong District Government”	the People’s Government of Liaozhong District, Shenyang City, Liaoning Province, the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LOI”	the letter of intent entered into among Party A, Party B and Party C on 16 November 2020 in respect of the Project
“Party A”	the People’s Government of Liaozhong District, on behalf of the People’s Government of Liaozhong District, Shenyang City, Liaoning Province, the PRC, and an Independent Third Party
“Party B”	Jiangsu Ruier
“Party C”	the Company
“PRC”	The People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Project”	the Company will acquire the No. 6, Pudong New Town, Liaozhong District and the Lianhuahu Park through public auction and listing for the investment of a commercial complex and boutique residential project
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Land”	No. 6, Pudong New Town, Liaozhong District, Shenyang City, the PRC and the Lianhuahu Park (with an aggregate site area of approximately 333,000 square meters)
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“HK\$”	the lawful currency of the Hong Kong Special Administrative Region of the PRC

By Order of the Board  
**Summi (Group) Holdings Limited**  
**Lee Kwok Lun**  
*Company Secretary*

Hong Kong, 16 November 2020

*As at the date of this announcement, the Board comprises: Mr. WU Shaohao, and Mr. WU Liantao as executive Directors; Mr. CHEN Ying, Mr. MA Chi Kin and Mr. KYAW Sai Hong as independent non-executive Directors.*

\* *For identification purposes only*