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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SMI Culture & Travel Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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星美文旅

SMI Culture & Travel Group Holdings Limited
星美文化旅遊集團控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 2366)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 2 June 2017 at 3:00 p.m. is set out on pages 12 to 15 of this circular. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the accompanying form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Hong Kong, 28 April 2017

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 2 June 2017 at 3:00 p.m., a copy of the notice is set out on pages 12 to 15 of this circular
“Board”	board of directors of the Company
“Bye-Laws”	the Bye-Laws of the Company for the time being
“Company”	SMI Culture & Travel Group Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	24 April 2017, being the latest practicable date for ascertaining certain information for inclusion in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for the sole purpose of this circular shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Repurchase Proposal”	the proposal to grant a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued Shares at the date of the approval of the Repurchase Resolution

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution as set out in resolution number 4 of the notice of the Annual General Meeting
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE BOARD



星美文旅

SMI Culture & Travel Group Holdings Limited

星美文化旅遊集團控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 2366)

Directors:

Executive Directors:

Mr. Zhong Naixiong (*Chairman*)

Mr. Yuan Xin

Mr. Kong Dalu

Ms. Yao Qinyi

Independent Non-executive Directors:

Mr. Rao Yong

Mr. Liu Xianbo

Mr. Wu Chien-Chiang

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place of
business in Hong Kong:*

19/F., Prosperity Tower

No. 39 Queen's Road Central

Central, Hong Kong

Hong Kong, 28 April 2017

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 3 June 2016, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. The Repurchase Resolution will be proposed at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in the Appendix I to this circular.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 3 June 2016, a general mandate was granted to the Directors to exercise the powers of the Company to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting.

Accordingly, at the Annual General Meeting, two ordinary resolutions, proposing to grant to the Directors a general mandate to allot, issue and deal with new Shares not exceeding 20% of the total issued Shares at the date of the approval of the resolution, representing 188,678,203 Shares at the Latest Practicable Date, and adding to such general mandate so granted to the Directors any Shares representing the aggregate number of Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the total issued Shares at the date of the Repurchase Resolution, will be proposed.

RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven directors, namely Mr. Zhong Naixiong, Mr. Yuan Xin, Mr. Kong Dalu, Ms. Yao Qinyi, Mr. Rao Yong, Mr. Liu Xianbo and Mr. Wu Chien-Chiang.

As stated in the report of directors dated 31 March 2017 in the 2016 annual report of the Company despatched to the Shareholders and in accordance with the Bye-Laws, Mr. Zhong Naixiong, Ms. Yao Qinyi and Mr. Rao Yong shall hold office until the Annual General Meeting and Mr. Liu Xianbo will retire by rotation at the Annual General Meeting, and all of them, being eligible, offer themselves for re-election.

A special general meeting was convened and held subsequently on 24 April 2017 and at the said meeting, Mr. Zhong Naixiong, Ms. Yao Qinyi and Mr. Rao Yong were re-elected as Directors by Shareholders. In addition, Mr. Huan Xin was appointed as additional Director on 6 April 2017.

Accordingly, based on the existing composition of Board and pursuant to Bye-Law 84(1) of the Bye-Laws, Mr. Kong Dalu and Mr. Liu Xianbo, being the longest serving Directors, will retire by rotation at the Annual General Meeting. Pursuant to Bye-Law 83(2) of the Bye-Laws, Mr. Yuan Xin, who was appointed by the Directors as additional Director to the Board on 6 April 2017, will retire at the Annual General Meeting. All the said retiring Directors will, being eligible, offer themselves for re-election at the Annual General Meeting.

Brief biographical details of the said retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting, which contains, *inter alia*, ordinary resolutions to approve the Repurchase Proposal, the general mandate for Directors to issue new Shares and re-election of retiring Directors, is set out on pages 12 to 15 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon.

LETTER FROM THE BOARD

VOTING BY WAY OF POLL

Pursuant to Bye-Law 66(1) of the Bye-Laws, all resolutions put to the votes of the Shareholders at the Annual General Meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the Repurchase Proposal and the general mandate for Directors to issue new Shares and the re-election of the retiring Directors are all in the best interest of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
SMI Culture & Travel Group Holdings Limited
Zhong Naixiong
Chairman & Executive Director

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the total issued Shares as at the date of the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 943,391,016 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed, under the Repurchase Proposal, to repurchase a maximum of 94,339,101 Shares, representing not more than 10% of the total issued Shares as at the date of the approval of the Repurchase Resolution.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of continuance and Bye-Laws, the Listing Rules and the applicable laws of Bermuda. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2016 in the event that the Repurchase Proposal was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The table below is a summary of the monthly highest and lowest prices in each of the previous twelve months before the Latest Practicable Date:

	Share price	
	Highest HK\$	Lowest HK\$
April 2016	0.660	0.540
May 2016	0.590	0.470
June 2016	0.510	0.435
July 2016	0.495	0.430
August 2016	0.710	0.480
September 2016	0.910	0.570
October 2016	0.950	0.780
November 2016	0.870	0.770
December 2016	0.860	0.660
January 2017	0.840	0.760
February 2017	0.850	0.780
March 2017	0.810	0.740
April 2017 (up to the Latest Practicable Date)	0.800	0.760

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, SMI Investment (HK) Limited and its associates are interested in 586,287,184 Shares (representing approximately 62.15% of the total issued share capital of the Company as at the Latest Practicable Date). In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Proposal, then (if their present shareholdings remain the same) the attributable interests of SMI Investment (HK) Limited and its associates would be increased to approximately 69.05% of the then issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a results of any repurchases made under the Repurchase Proposal.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Proposal, the number of Shares held by the public will not fall below 25%.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The followings are the particulars of the retiring Directors proposed to be re-elected at the Annual General Meeting:

(1) MR. KONG DALU (“Mr. Kong”), EXECUTIVE DIRECTOR

Mr. Kong, aged 44, has been an Executive Director since 7 June 2014. He has approximately 20 years’ working experience and extensive knowledge in the field of banking, corporate finance and investment in Hong Kong and Mainland China. Mr. Kong obtained a bachelor’s degree in Economics (major in International Finance) at Wuhan University in the PRC in 1994.

Mr. Kong was a foreign exchange manager and foreign exchange trader in the international business department in the headquarter of Hua Xia Bank Co., Limited from 1994 to 1997. From 1997 to 2007, Mr. Kong also served at senior management level respectively at China Minsheng Banking Corp., Ltd. and Bank of Communications Co., Ltd. Mr. Kong has acted as a director of Xince (Hong Kong) Investment Development Co. Limited, being an equity investment company incorporated in Hong Kong, since 2007. During the period from 2008 to 2011, Mr. Kong also acted as a director of Haitong Securities Company Limited (Shanghai Stock Code: 600837), being a company listed on the Shanghai Stock Exchange.

The Company had entered into a letter of appointment with Mr. Kong in relation to his appointment as an executive Director. Mr. Kong had been appointed for a term of two years, subject to retirement by rotation and re-election in accordance with the Bye-Laws. Mr. Kong is entitled to a director’s salary of HK\$2,000,000 per annum, which had been reviewed by the remuneration committee of the Company and approved by the Board (with Shareholders’ authorization) and having considered his responsibilities and duties, the Company’s remuneration policy and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. Kong did not hold any position in the Company or any of its subsidiaries nor have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as defined under the Listing Rules) of the Company. He had also not held any directorship in other listed companies in Hong Kong or overseas or other major appointments and qualifications in the past three years preceding the Latest Practicable Date. He did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(2) Mr. Yuan XIN (“Mr. Yuan”), EXECUTIVE DIRECTOR

Mr. Yuan, aged 43, holds a bachelor degree in economics from Beijing Normal University (北京師範大學). Mr. Yuan has extensive experience in the media industry. Mr. Yuan was first appointed to be the general manager of Stellar International Cineplex in 2005 and later also became the executive director of China Film Steller Theatre Chain Limited* (中影星美電影院線有限公司). Mr. Yuan has served in various management and operation roles in SMI Cinema Development Limited* (星美影院發展有限公司), Beijing Mingxiang Cinema Management Company Limited* (北京名翔影院管理有限公司) and SMI International Holding Limited* (星美國際集團有限公司), focusing on the cinema management, operation as well as capital investment. During his service, Mr. Yuan was elected by the Beijing Municipal Bureau of Culture (北京市文化局) as one of the top 10 cinema managers. Mr. Yuan was the executive director of the Company from 2013 to 2015.

Mr. Yuan is primarily responsible for advising the overall strategic development and the business operation of the Group, including the responsibilities of an executive director of the Company under its constitutional documents and the Listing Rules (including the Model Code and the Corporate Governance Code).

The Company had entered into a letter of appointment with Mr. Yuan in relation to his appointment as an executive Director. Mr. Yuan had been appointed for a term of two years, subject to retirement by rotation and re-election in accordance with the Bye Laws. Mr. Yuan is entitled to receive director’s salary of HK\$2,000,000 per annum and a director’s fee of HK\$240,000 per annum which will be reviewed by the remuneration committee of the Company and determined by the Board (with Shareholders’ authorization) with reference to his duties and responsibilities, his qualifications, experiences, the prevailing market conditions and the Company’s remuneration policy.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yuan did not hold any position in the Company or any of its subsidiaries nor have any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as defined under the Listing Rules) of the Company. He had also not held any directorship in other listed companies in Hong Kong or overseas or other major appointments and qualifications in the past three years preceding the Latest Practicable Date. He did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yuan has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

** For identification purposes only*

(3) MR. LIU XIANBO (“Mr. Liu”), INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Liu, aged 53, has been an Independent Non-executive Director since 27 August 2013. He is a member of the Audit Committee and Remuneration Committee and the chairman of the Nomination Committee of the Company. Mr. Liu holds a law degree from Jiangxi University and a graduate of Southwest University of Political Science & Law in civil and commercial law in the PRC. Mr. Liu has been practicing law in the PRC for more than 20 years, specializing in finance, real estate, economics, contracts, civil dispute, liquidation and bankruptcy, criminal defence. He currently works at China Commercial Law Co. in the PRC.

The Company had entered into a letter of appointment with Mr. Liu in relation to his appointment as an independent non-executive Director. Mr. Liu had been appointed for a term of two years, subject to retirement by rotation and re-election in accordance with the Bye-Laws. Mr. Liu is entitled to a director’s fee of HK\$240,000 per annum, which had been reviewed by the remuneration committee of the Company and approved by the Board (with Shareholders’ authorization) and having considered his responsibilities and duties, the Company’s remuneration policy and the prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Mr. Liu did not hold any position in the Group nor had any relationship with any Director, senior management, substantial shareholder or controlling shareholder (as defined under the Listing Rules) of the Company. As at the Latest Practicable Date, save as disclosed herein, Mr. Liu had not held any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years or other major appointments and professional qualifications. He did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



星美文旅

SMI Culture & Travel Group Holdings Limited

星美文化旅遊集團控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 2366)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 2 June 2017 at 3:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements and the report of the Directors and independent auditor's report for the year ended 31 December 2016.
2.
 - (i) To re-elect Mr. Kong Dalu as director of the Company.
 - (ii) To re-elect Mr. Yuan Xin as director of the Company.
 - (iii) To re-elect Mr. Liu Xianbo as director of the Company.
 - (iv) To authorize the board of directors of the Company to fix the remuneration of Directors of the Company.
3. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company and authorize the board of directors of the Company to fix the remuneration of auditor.
4. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be

NOTICE OF ANNUAL GENERAL MEETING

listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the total number of shares of the Company which the Directors of the Company are authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of this Resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be repurchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and
 - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- “THAT:**
- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any share option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (iii) an issue of shares of the Company as scrip dividends pursuant to the Bye-Laws of the Company from time to time, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing this Resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and
- (d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** subject to the passing of the Resolution nos.4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares of the Company pursuant to Resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of a number of shares of the Company representing the total number of shares of the Company repurchased by the Company under the authority granted pursuant to Resolution no. 4 set out in the notice convening this meeting, provided that such number of shares of the Company so repurchased shall not exceed 10% of the total number of issued shares of the Company as at the date of the said Resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any or all of the shares of the Company after the passing of this resolution).”

By Order of the Board
SMI Culture & Travel Group Holdings Limited
Zhong Naixiong
Chairman & Executive Director

Hong Kong, 28 April 2017

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint one or, if he/she is the holder of two or more shares of the Company, more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited at the offices of the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time of the Meeting or any adjourned meeting.
3. The register of members of the Company will be closed from Monday, 29 May 2017 to Friday, 2 June 2017, during which period no transfer of shares will be registered. In order to establish entitlements of attending and voting at the forthcoming annual general meeting of the Company, all share transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Friday, 26 May 2017.
4. With regard to item no. 2 in this notice, biographies of the retiring directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II of the circular to shareholders dated 28 April 2017.
5. As at the date of this notice, the executive Directors are Mr. Zhong Naixiong, Mr. Yuan Xin, Mr. Kong Dalu and Ms. Yao Qinyi, and the independent non-executive Directors are Mr. Rao Yong, Mr. Liu Xianbo and Mr. Wu Chien-Chiang.