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Starrise Media Holdings Limited

星宏傳媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1616)

PARTIAL TRANSFER OF BONDS

Reference is made to :

- (a) the announcements of the Starrise Media Holdings Limited (the “**Company**”) dated 22 December 2016, 30 December 2016 and 28 February 2017 (the “**Initial Announcements**”) and the circular of the Company dated 17 January 2017 (the “**Initial Circular**”), in relation to the issuance of the convertible bonds in the aggregate principal amount of HK\$300,000,000 (the “**Bonds**”) to Dragon Capital Entertainment Fund One LP (the “**Original Bondholder**”);
- (b) the announcements (the “**Price Adjustment Announcements**”) of the Company dated 17 January 2018 and 5 February 2018 in relation to, among other things, the adjustments in the conversion price of the Bonds to HK\$0.74 per Conversion Share (the “**Adjusted Conversion Price**”);
- (c) two announcements of the Company dated 25 February 2019 and the announcement of the Company dated 28 February 2019 (the “**BeiTai Transfer Announcements**”), in relation to, among other things, the transfer of the Bonds in the aggregate principal amount of HK\$120,000,000 from the Original Bondholder to BeiTai Investment LP (“**BeiTai Investment**”), the conversion of the transferred bonds and the extension of the maturity date of the remaining bonds in the aggregate principal amount of HK\$180,000,000 (the “**Outstanding Bonds**”) held by the Original Bondholder to 28 February 2020;
- (d) the circular of the Company dated 20 March 2019 (the “**1st Extension Circular**”) in relation to, among other things, the extension of the maturity date of the Outstanding Bonds to 28 February 2020 under specific mandate;
- (e) the announcements of the Company dated 30 October 2019 and 13 November 2019 (together with the Initial Announcements, the Price Adjustment Announcements and the BeiTai Transfer Announcements, as the “**Announcements**”) in relation to the partial transfer of the Outstanding Bonds in the aggregate principal amount of HK\$60,000,000 from the Original Bondholder to Skyland Circle Technology Limited (“**Skyland Circle**”); and

- (f) the circular of the Company dated 24 March 2020 (together with the Initial Circular and the 1st Extension Circular, as the “**Circulars**”), in relation to, among other things, the extension of the maturity date of the Outstanding Bonds to 28 February 2021 under specific mandate;

Capitalised terms used herein shall have the same meanings as those defined in the Circulars and the Announcements unless stated otherwise.

The Company received a transfer notice from the Original Bondholder in relation to the partial transfer of the Outstanding Bonds in the aggregate principal amount of HK\$20,000,000 (the “**BeiTai Bonds Transfer**”), which were convertible into 27,027,027 Conversion Shares at the Adjusted Conversion Price of HK\$0.74 per Conversion Share, to BeiTai Investment.

To the best of the Directors’ knowledge and belief based on the information available, as at the date of this announcement:

- (a) BeiTai Investment is an exempted limited partnership established under the laws of the Cayman Islands; and
- (b) each of BeiTai Investment and its ultimate beneficial owners is a third party independent of the Company, the Original Bondholder, Skyland Circle and their respective connected persons (as defined under the Listing Rules).

The Company has, on 23 April 2020, provided its consent to the Original Bondholder for the BeiTai Bonds Transfer pursuant to the conditions of the Bonds and the completion of the BeiTai Bonds Transfer is expected to take place on or around 24 April 2020.

Immediately after the completion of the BeiTai Bonds Transfer, BeiTai Investment will become the registered holder of part of the Outstanding Bonds in the aggregate principal amount of HK\$20,000,000 (the “**BeiTai Transferred Bonds**”) and the Original Bondholder will remain as the registered holder of part of the Outstanding Bonds in the aggregate principal amount of HK\$100,000,000 (the “**Remaining Bonds**”).

The following sets out, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the shareholding structure of the Company (i) immediately before the completion of the BeiTai Bonds Transfer; (ii) immediately after the completion of the issue of the Conversion Shares assuming the Conversion Rights under the BeiTai Transferred Bonds are exercised in full at the Adjusted Conversion Price of HK\$0.74 per Conversion Share; (iii) immediately after the completion of the issue of the Conversion Shares assuming the Conversion Rights under the Remaining Bonds are exercised in full at the Adjusted Conversion Price of HK\$0.74 per Conversion Share; and (iv) immediately after the completion of the issue of the Conversion Shares assuming the Conversion Rights under the Outstanding Bonds are exercised in full at the Adjusted Conversion Price of HK\$0.74 per Conversion Share:

	Immediately before the completion of the BeiTai Bonds Transfer		Immediately after the full conversion of the BeiTai Transferred Bonds at the Adjusted Conversion Price of HK\$0.74 per Conversion Share		Immediately after the full conversion of the Remaining Bonds at the Adjusted Conversion Price of HK\$0.74 per Conversion Share		Immediately after the full conversion of the Outstanding Bonds at the Adjusted Conversion Price of HK\$0.74 per Conversion Share	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Excel Orient Limited	307,809,902	21.72	307,809,902	21.32	307,809,902	19.83	307,809,902	18.54
Emerges Ventures Limited	204,000,000	14.40	204,000,000	14.13	204,000,000	13.14	204,000,000	12.29
Aim Right Ventures Limited	202,472,656	14.29	202,472,656	14.02	202,472,656	13.05	202,472,656	12.20
Cinedigm Corp.	162,162,162	11.44	162,162,162	11.23	162,162,162	10.45	162,162,162	9.77
He Han	13,998,000	0.99	13,998,000	0.97	13,998,000	0.90	13,998,000	0.84
Original Bondholder	-	-	-	-	135,135,135	8.71	135,135,135	8.14
Skyland Circle	-	-	-	-	-	-	81,081,081	4.88
BeiTai Investment	-	-	27,027,027	1.87	-	-	27,027,027	1.63
Other public Shareholders	526,469,098	37.16	526,469,098	36.46	526,469,098	33.92	526,469,098	31.71
Total	1,416,911,818	100.00	1,443,938,845	100.00	1,552,046,953	100.00	1,660,155,061	100.00

Please refer to the Circulars and the Announcements for information on the principal terms of the Bonds.

As the completion of the BeiTai Bonds Transfer is subject to negotiations between the Original Bondholder and BeiTai Investment, the BeiTai Bonds Transfer may or may not proceed as contemplated or at all. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board
Starrise Media Holdings Limited
LIU Dong
Chairman

Beijing, the PRC, 23 April 2020

As at the date of this announcement, the Board comprises eight Directors, namely Mr. LIU Dong, Mr. LIU Zongjun, Ms. CHEN Chen, Mr. HE Han and Mr. TAN Bin as executive Directors; and Mr. LAM Kai Yeung, Ms. LIU Chen Hong and Mr. KWOK Pak Shing as independent non-executive Directors.