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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)

INSIDE INFORMATION
UPDATE ON RECENT DEVELOPMENT

This announcement is published by SMI Holdings Group Limited (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 and 6 December 2018. The board of directors of the Company (the “**Board**”) wishes to provide an update on certain recent developments of the Group.

BUSINESS UPDATE

As disclosed in the announcement of the Company dated 6 December 2018, the Group has been proactively negotiating and discussing with its lenders and creditors. The Group has also been seeking new investors to explore possible debt restructuring solutions.

The Board would like to announce that the Group is in discussion with Television Broadcasts Limited, a company incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 511) (“**TVB**”) amongst its lender and creditors for various options as part of an overall debt restructuring proposal (the “**Debt Restructuring Proposal**”). Due Diligence is being conducted on the Group in relation to the Debt Restructuring Proposal.

No agreement or material terms in relation to the Debt Restructuring Proposal has been entered into or agreed between the Group and TVB as at the date of this announcement. The Board will make further announcement as and when appropriate and as required by the Listing Rule and/or the Insider Information Provisions. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

As at the date of this announcement, TVB holds unsecured redeemable fixed coupon bonds due 2020 (extendable to 2021) in the principal amount of US\$23 million at the interest rate of 9.5% per annum and secured redeemable convertible bonds due 2020 (extendable to 2021) in the principal amount of US\$83 million at the interest rate of 7.5% per annum, both issued by the Company.

CONTINUED SUSPENSION OF TRADING IN THE 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.

The Company will make further announcement(s) in accordance with the Listing Rules and the Inside Information Provisions as and when necessary in relation to any material development in connection with the above matters. Shareholders of the Company and investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board of
SMI Holdings Group Limited
HUNG Ka Hai Clement
Non-executive Director

Hong Kong, 24 December 2018

As at the date of this announcement, the Board of Directors comprises four Directors, including Mr. Hung Ka Hai Clement as non-executive Director and Mr. Pang Hong, Mr. LI Fusheng and Mr. WONG Shui Yeung as independent non-executive Directors.