

SWING MEDIA TECHNOLOGY GROUP LIMITED

(Incorporated in Bermuda)
(Company Registration No. 30254)

PROPOSED PLACEMENT OF NEW ORDINARY SHARES IN THE CAPITAL OF SWING MEDIA TECHNOLOGY GROUP LIMITED (THE “PLACEMENT”)

1. INTRODUCTION

The Board of Directors of Swing Media Technology Group Limited (the “**Company**”) refers to the announcement made on 22 April 2016 (the “**Announcement**”) regarding the proposed placement of ordinary shares in the capital of the Company. All capitalised terms used in this announcement shall, unless otherwise defined herein, have the meanings ascribed to them in the Announcement.

2. PLACEMENT SHARES

- 2.1 The Board wishes to clarify that 581,086 Placement Shares will be issued to Sino Charm International Ltd at the Placement Price. Accordingly, an aggregate of 6,241,460 Placement Shares will be issued pursuant to the Placement. When allotted and issued in full, the estimated net proceeds from the Placement after deducting expenses incurred in connection with the Placement is expected to amount to approximately S\$3.3 million.
- 2.2 The aggregate of 6,241,460 Placement Shares, when allotted and issued in full, will represent approximately 16.95% of the Company’s existing and paid-up capital of 36,827,886 Shares as at the date of this announcement, and approximately 14.49% of the enlarged issued and paid-up share capital of 43,069,346 Shares upon completion of the Placement (assuming that no further Shares are issued on or prior to the completion of the Placement). Accordingly, the proposed issuance of the Placement Shares to be issued will fall within the limit of the general mandate.

3. FINANCIAL EFFECTS

- 3.1 As at the date of this Announcement, the issued and paid up capital of the Company is HK\$57,395,000 divided into 36,827,886 Shares. When allotted and issued in full, the Placement will increase the existing issued and paid-up share capital of the Company by approximately HK\$9,712,000 to HK\$67,107,000, divided into 43,069,346 Shares.
- 3.2 The financial effects of the Proposed Placement on the Group are prepared based on the audited accounts of the Group for the financial year ended 31 March 2015 and the following assumptions:
- (i) for purposes of computing the effect of the Placement on the net tangible asset (“**NTA**”) per Share of the Group, it is assumed that the Placement had been completed on 31 March 2015; and
 - (ii) for purposes of computing the effect of the Placement on the equity per Share (“**EPS**”) of the Group, it is assumed that the Placement had been completed on 1 April 2014.

	Before the allotment and issue of the Placement Shares	After allotment and issue of the Placement Shares ⁽¹⁾
Earnings attributable to Shareholders (HK\$'000)	66,762	66,762
EPS (HK cents)	9.97	155.01
Number of Shares for calculating EPS	669,603,749	43,069,346
NTA as at 31 March 2015 (HK\$'000)	1,361,393	1,380,038

	Before the allotment and issue of the Placement Shares	After allotment and issue of the Placement Shares ⁽¹⁾
NTA per Share (HK cents)	203.31	3204.22
Number of Shares for calculating NTA per Share	669,603,749	43,069,346

Note:

- (1) Since the financial year ended 31 March 2015, the Company had undergone (i) a share consolidation exercise where every twenty (20) existing Shares held by Shareholders as at 5.00 p.m. on 3 September 2015 were consolidated into one (1) consolidated Share and (ii) a bonus issue pursuant to which the Company had issued 3,347,847 bonus Shares.

4. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. The Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Johnny Chan Hon Chung
Director / Company Secretary

Date: 13 May 2016