

## SWING MEDIA TECHNOLOGY GROUP LIMITED

(Company Registration No 30254)

(Incorporated in Bermuda on 26 March 2001)

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### RECEIPT OF ADDITIONAL STATUTORY DEMANDS

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#### 1. INTRODUCTION

- 1.1 The board of directors (the "**Board**" or "**Directors**") of Swing Media Technology Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 11 July 2017 in relation to (i) statutory demands by financiers of the group and (ii) suspension of trading (the "**Announcement**").
- 1.2 In connection with the Announcement, the Board wishes to inform shareholders that the Group has received additional statutory demands from two other financiers ("**Other Relevant Banks**"), details of which are set out in paragraph 2 of this announcement.
- 1.3 Unless otherwise specified, all capitalised terms used herein shall have the same meaning ascribed to them in the Announcement.

#### 2. RECEIPT OF ADDITIONAL STATUTORY DEMANDS

##### 2.1 *Statutory demand against SMI, ST and the Company*

On 12 July 2017, each of SMI, ST and the Company, received a statutory demand issued by one of the Other Relevant Banks ("**Bank C**") pursuant to section 178(1)(a) of the Winding Up Ordinance requesting the following payments:

- (i) in the case of SMI, a sum amounting to HK\$26,167,890.45 (comprising principal amounts of HK\$26,000,000.00, arrangement fee of HK\$130,000.00 and interest of HK\$37,890.45) due and owing by SMI as borrower pursuant to the terms of banking facilities granted by Bank C to SMI;
- (ii) in the case of ST, a sum amounting to HK\$24,154,975.80 (comprising principal amounts of HK\$24,000,000.00, arrangement fee of HK\$120,000.00 and interest of HK\$34,975.80) due and owing by ST as borrower pursuant to the terms of banking facilities granted by Bank C to ST; and
- (iii) in the case of the Company, a sum amounting to HK\$50,322,866.25 (comprising principal amounts of HK\$50,000,000.00, arrangement fee of HK\$250,000.00 and interest of HK\$72,866.25) due and owing by the Company as guarantor pursuant to the terms of banking facilities granted by Bank C to SMI and ST.

The statutory demands stated that if payment is not made within three weeks thereof, Bank C may present a winding-up petition against each of SMI, ST and the Company.

## 2.2 *Statutory demand against ST and the Company*

On 13 July 2017, each of ST and the Company, received a statutory demand issued by the one of the Other Relevant Bank ("**Bank D**") pursuant to section 178(1)(a) of the Winding Up Ordinance requesting payment of a sum amounting to US\$1,955,390.31 and HK\$39,196,970.16 (comprising principal amounts of US\$1,944,444.44 ("**Outstanding Term Loan Sum**") and HK\$38,767,440.00 ("**Outstanding Trade Finance Facilities**"), and interest of US\$10,945.87 and HK\$429,530.16) (collectively the "**Bank D Outstanding Sums**") due and owing by ST and the Company as borrower and guarantor respectively pursuant to the terms of banking facilities granted by Bank D to ST.

The statutory demand stated that if payment is not made within three weeks thereof, Bank D may present a winding-up petition against each of ST and the Company.

Further, on 14 July 2017, each of ST and the Company was served with a Writ of Summons from the legal counsel of Bank D claiming the Bank D Outstanding Sums, as well as additional interest at the rate of US\$390.31 per day on the Outstanding Term Loan Sum and HK\$7,582.84 per day on the Outstanding Trade Finance Facilities, or at such rate as the High Court of Hong Kong Special Administrative Region, Court of First Instance, thinks fit, from 13 July 2017 until the date of judgment.

## 3. **FURTHER ANNOUNCEMENTS**

The Company is presently in negotiation with the Other Relevant Banks, as well as the other financiers of the Group, for the settlement of the additional statutory demands, and other potential defaults arising therefrom and will make further announcement to keep shareholders updated on any material development as and when appropriate.

### **By order of the Board**

Johnny Chan Hon Chung  
Director / Company Secretary  
19 July 2017