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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)

CONVERSION OF CONVERTIBLE BONDS

Reference is made to (a) the announcements of Starrise Media Holdings Limited (the “**Company**”) dated 23 and 24 April 2020 in relation to the transfer of the convertible bonds of the Company (the “**Convertible Bonds**”) (the “**BeiTai Transfer Announcements**”) in the aggregate principal amount of HK\$20,000,000 (the “**BeiTai Bonds**”) to BeiTai Investment LP (“**BeiTai Investment**”); and (b) the announcement of the Company dated 19 January 2021 in relation to, inter alia, the adjustment to the conversion price of the Convertible Bonds to HK\$0.156 per conversion share (the “**Adjusted Conversion Price**”) (together with the BeiTai Transfer Announcements as the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless stated otherwise.

The Board announces that the Company received a conversion notice from BeiTai Investment exercising its rights to convert the entire principal amount of the BeiTai Bonds into 128,205,128 Shares at the Adjusted Conversion Price of HK\$0.156 per Conversion Share (the “**Conversion**”).

Pursuant to the exercise of the Conversion Rights attaching to the BeiTai Bonds, 128,205,128 Conversion Shares will be allotted and issued by the Company to BeiTai Investment under the specific mandate of the Company granted by the Shareholders to the Directors at the extraordinary general meeting of the Company held on 9 April 2020. The Conversion Shares will rank pari passu with all the existing Shares in issue as at the date of allotment and among themselves in all respects.

Immediately after the allotment and issue of the Conversion Shares, the number of issued shares of the Company will increase to 1,646,254,080 Shares, and the 128,205,128 Conversion Shares represent approximately (i) 8.45% of the existing issued share capital of the Company immediately prior to the Conversion; and (ii) approximately 7.79% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

The table below illustrates the shareholding structures of the Company immediately before and after the Conversion:

Shareholders	Immediately before the Conversion		Immediately after the Conversion	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Cinedigm Corp.	366,590,397	24.15%	366,590,397	22.27%
Excel Orient Limited	307,809,902	20.28%	307,809,902	18.70%
Emerge Ventures Limited	171,926,000	11.33%	171,926,000	10.44%
Aim Right Ventures Limited	202,472,656	13.34%	202,472,656	12.30%
He Han	13,998,000	0.92%	13,998,000	0.85%
Public Shareholders				
BeiTai Investment	—	—	128,205,128	7.79%
Jinbi Market (Hong Kong) Limited	101,137,134	6.66%	101,137,134	6.14%
Other Public Shareholders	354,114,863	23.32%	354,114,863	21.51%
Total	<u>1,518,048,952</u>	<u>100.00%</u>	<u>1,646,254,080</u>	<u>100.00%</u>

The allotment and issue of the Conversion Shares is expected to take place on or before 26 February 2021. As a result of the exercise of the Conversion Rights by BeiTai Investment, no BeiTai Bonds will remain or be outstanding after the Conversion.

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

Beijing, the PRC, 25 February 2021

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