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**Sandmartin International Holdings Limited**

**聖馬丁國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 482)**

**CLARIFICATION ANNOUNCEMENT  
IN RESPECT OF  
MAJOR TRANSACTION**

**The Guarantee**

Reference is made to the announcement of Sandmartin International Holdings Limited (the “**Company**”) dated 31 December 2018 in relation to, among other things, the Disposal and the continuation of the Existing Loans and the Guarantee after Completion (the “**Announcement**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

It was disclosed in the Announcement that the maximum amount payable by the Company under the Guarantee would not exceed US\$2,600,000. It has recently come to the attention of the Company’s management that such amount was calculated by the relevant staff of MyHD who had inadvertently only calculated the outstanding amounts as at 30 November 2018 payable by MyHD to MBC FZ LLC under the third amendment agreement to the Content Supply Agreement dated 3 October 2016 (being approximately US\$3,000,000) and setting-off the subscription revenue receivable by MyHD from MBC FZ LLC as at 30 November 2018 (being approximately US\$400,000) against such amount, which is not an accurate calculation of the maximum amount payable by the Company under the Guarantee, since (1) the payment obligations of MyHD to MBC FZ LLC under the third amendment agreement to the Content Supply Agreement continues beyond 30 November 2018 with the last payment falling in March 2019 and (2) no set-off against the subscription revenue payable by MBC FZ LLC should be made.

The Company would like to clarify that after taking into account all outstanding payment obligations of MyHD to MBC FZ LLC up to 31 March 2019 with reference to the payment schedule attached to the third amendment agreement to the Content Supply Agreement and without setting-off against any subscription revenue receivable by MyHD from MBC FZ LLC, the maximum amount payable by the Company under the Guarantee should not exceed US\$3,500,000.

Notwithstanding the change in the maximum amount payable by the Company under the Guarantee, the continuation of the Existing Loans and the Guarantee after Completion remains as a major transaction for the Company under Chapter 14 of the Listing Rules and together with the Disposal which is under the same transaction are subject to the reporting, announcement and shareholders' approval requirements for major transactions under Chapter 14 of the Listing Rules.

By order of the Board  
**Sandmartin International Holdings Limited**  
**Lau Yau Cheung**  
*Chairman*

Hong Kong, 6 May 2019

As at the date of this announcement, the directors of the Company are:

*Executive Directors*

Mr. Hung Tsung Chin and Mr. Chen Wei Chun

*Non-Executive Director*

Mr. Kuo Jen Hao

*Independent Non-Executive Directors*

Mr. Lau Yau Cheung (Chairman), Mr. Li Chak Hung and Mr. Wu Chia Ming

*\* For identification purpose only*