

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

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FOR REFERENCE ONLY

Subject : Display of Adjusted Previous Closing Price of SDM Group Holdings Limited (stock code 8363) on AMS/3 for its 1-for-2 Open Offer on Ex-All Date, 16 January 2017

Enquiry Tel : Mr. Eric Lam (Tel: 2840 3087) or Ms. Cynthia Chiu (Tel: 2840 3076)

Pursuant to the open offer timetable issued by SDM Group Holdings Limited ("SDM Group"), SDM Group's shares (stock code: 8363) will be marked "ex-open offer" on 16 January 2017, the Ex-All Date. Shareholders, investors and market participants should read the SDM Group's announcements and prospectus documents in full including the terms and conditions of the open offer of SDM Group in dealing with SDM Group's shares. If they are in doubt, they should consult their professional adviser(s).

As an AMS/3 standard practice for ex-open offer ("Ex-All") and for reference only, an Adjusted Previous Closing Price will be displayed in the "PRV CLOSE" field of SDM Group's AMS/3 stock page on 16 January 2017, the Ex-All Date. The unadjusted previous closing price will instead be displayed in the free text field. Calculation of the Adjusted Previous Closing Price will be based on SDM Group's closing price on 13 January 2017 (i.e. last cum-all trading day) and by using the following standard adjustment formula for open offer generally.

Adjustment Formula:

Adjusted Previous Closing Price

$$= [(Closing Price on the last cum-all trading day \times Y) + (S \times X)] \div (X + Y)$$

where:

S = Subscription price per offer share, i.e. HK\$0.40

X = Number of offer shares a shareholder is entitled to subscribe when he/she holds Y existing shares on the record date, i.e. 1 offer share

Y = Number of existing shares a shareholder has to hold on the record date for entitling him/herself to subscribe for X offer shares, i.e. 2 shares

Note: Price adjustment for open offer will not be made and the previous closing price will remain unchanged on ex-all date when the subscription price is higher than the closing price of the shares on the last cum-all trading day.

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For illustration purpose, depending on SDM Group's closing price on 13 January 2017, the Exchange shall base on the above standard formula for open offer generally to calculate and display the Adjusted Previous Closing Price on SDM Group's AMS/3 stock page on 16 January 2017 as follows:-

<u>CUM-ALL</u>	<u>EX-ALL</u>
<u>Unadjusted Closing Price</u>	<u>Adjusted</u>
<u>on 13 January 2017</u>	<u>Previous Closing Price</u>
<u>on 13 January 2017</u>	<u>on 16 January 2017</u>
(HK\$)	(HK\$)
0.685	0.590
0.700	0.600
0.715	0.610
0.730	0.620
0.745	0.630
0.760	0.640
0.775	0.650
0.790	0.660
0.805	0.670
0.820	0.680
0.835	0.690
0.850	0.700
0.865	0.710
0.880	0.720
0.895	0.730
0.910	0.740
0.925	0.750
0.940	0.760
0.955	0.770
0.970	0.780
0.985	0.790
1.000	0.800
1.015	0.810
1.030	0.820
1.045	0.830
1.060	0.840
1.075	0.850
1.090	0.860
1.105	0.870
1.120	0.880

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