

香港聯合交易所有限公司

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FOR REFERENCE ONLY

Subject : Display of Adjusted Previous Closing Price of HMV Digital China Group Limited (stock code 8078) on AMS/3 for its Bonus Issue of 1 bonus share for 1 share on Ex-Bonus Date, 6 February 2017

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Pursuant to the timetable issued by HMV Digital China Group Limited ("HMV Digital China") for the bonus issue of shares, HMV Digital China's shares (stock code: 8078) will be marked "ex-bonus issue" on 6 February 2017, the Ex-Bonus Date.

Amongst other terms and conditions, HMV Digital China's bonus issue of shares (the "Bonus Issue") is subject to the passing of relevant resolution(s) to approve the Bonus Issue (the "Resolution(s)") at its Special General Meeting to be held on 2 February 2017 (the "SGM"). HMV Digital China will make a further announcement containing the results of the Resolution(s) following the SGM. Shareholders, investors and market participants should read the HMV Digital China's regulatory announcements and circulars in full including the terms and conditions of the Bonus Issue in dealing with HMV Digital China's shares. If they are in doubt, they should consult their professional adviser(s).

Further, as an AMS/3 standard practice for ex-bonus issue and for reference only, an Adjusted Previous Closing Price will be displayed in the "PRV CLOSE" field of HMV Digital China's AMS/3 stock page on 6 February 2017, the Ex-Bonus 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 HMV Digital China's closing price on 3 February 2017 (i.e. last cum-bonus trading day) and by using the following standard adjustment formula for bonus issue generally.

Adjustment Formula:

Adjusted Previous Closing Price

= (Closing Price on the last cum-bonus trading day x Y) ÷ (X + Y)

where:

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

Y = Number of existing shares a shareholder has to hold on the record date for entitling him/herself to X bonus shares, i.e. 1 share

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For illustration purpose, depending on HMV Digital China's closing price on 3 February 2017, the Exchange shall base on the above standard formula for bonus issue generally to calculate and display the Adjusted Previous Closing Price on HMV Digital China's AMS/3 stock page on 6 February 2017 as follows:-

<u>CUM-BONUS</u>	<u>EX-BONUS</u>
<u>Unadjusted Closing Price</u>	<u>Adjusted</u>
<u>on 3 February 2017</u>	<u>Previous Closing Price</u>
<u>(HK\$)</u>	<u>on 6 February 2017</u>
0.620	0.310
0.630	0.315
0.640	0.320
0.650	0.325
0.660	0.330
0.670	0.335
0.680	0.340
0.690	0.345
0.700	0.350
0.710	0.355
0.720	0.360
0.730	0.365
0.740	0.370
0.750	0.375
0.760	0.380
0.770	0.385
0.780	0.390
0.790	0.395
0.800	0.400
0.810	0.405
0.820	0.410
0.830	0.415
0.840	0.420
0.850	0.425
0.860	0.430
0.870	0.435
0.880	0.440
0.890	0.445
0.900	0.450
0.910	0.455

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