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NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“**Meeting**”) of HMV Digital China Group Limited (the “**Company**”) will be held at 7/F, Zung Fu Industrial Building, 1067 King’s Road, Quarry Bay, Hong Kong at 4:00 p.m. on Tuesday, 25 April 2017 for the purpose of considering and, if thought fit, passing the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. “THAT:

- (a) the terms and conditions of the sale and purchase agreement dated 13 December 2016 (the “**Sale and Purchase Agreement**”) entered into between Sunny On Corporation Limited (the “**Purchaser**”), Honour Best Holdings Limited (the “**Vendor**”) and the Company in relation to the acquisition of 1 ordinary share (the “**Sales Share**”) of Time Edge Limited (the “**Target Company**”), representing its entire issued share capital, at the total consideration of HK\$50,000,000 (the “**Consideration**”) (a copy of which has been produced to the Meeting marked “A” and signed by the chairman of the Meeting for the purpose of identification), from the Vendor to the Purchaser, pursuant to which the Consideration shall be satisfied by the issue of the Convertible Bond (as defined below) by the Company to the Vendor (or its nominee which shall be a wholly-owned subsidiary or an associate of the Vendor), be and are hereby approved, confirmed and ratified;
- (b) the terms and conditions of the instrument of the convertible bond (the “**Convertible Bond Instrument**”) to be entered into between the Company and the Vendor in relation to the Convertible Bond in the principal amount of HK\$50,000,000 to be issued by the Company (the “**Convertible Bond**”) under the Specific Mandate (as defined below), a copy of which has been

produced to the Meeting marked “B” and signed by the chairman of the Meeting for the purpose of identification, pursuant to which the Company has conditionally agreed to issue and the Vendor has conditionally agreed to subscribe for the Convertible Bond which is convertible into shares of the Company (the “**Conversion Shares**”) at the conversion price of HK\$0.313 per share (subject to adjustment) be and are hereby approved, confirmed and ratified;

- (c) the grant of specific mandate (“**Specific Mandate**”) granted to the directors (the “**Directors**”) of the Company to issue the Convertible Bond and to issue and allot the Conversion Shares and the Interest Payment Shares (as defined in the circular of the Company dated 10 April 2017) to the Vendor pursuant to the Sale and Purchase Agreement and the Convertible Bond Instrument be and is hereby approved, confirmed and ratified. The Specific Mandate is in addition to, and shall not prejudice nor revoke any general or specific mandate(s) which has/have been granted or may from time to time be granted to the Directors by the shareholders of the Company prior to the passing of this resolution; and
- (d) any one Director be and is/are hereby authorised for and on behalf of the Company to do all such acts and things and execute all such documents which he/she in his/her absolute discretion consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Sale and Purchase Agreement and the transactions contemplated thereunder, including but not limited to the issue of the Convertible Bond to the Vendor.”

On behalf of the Board
HMV DIGITAL CHINA GROUP LIMITED
Shiu Stephen Junior
Chairman

Hong Kong, 10 April 2017

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of business
in Hong Kong:*
7/F, Zung Fu Industrial Building,
1067 King’s Road,
Quarry Bay, Hong Kong

Notes:

1. A form of proxy for use at the Meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the above Meeting or any adjournment thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting convened or at any adjourned meeting (as the case may be) and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the most senior shall alone be entitled to vote. For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.
7. As at the date of this notice, the directors of the Company are Mr. Shiu Stephen Junior (Chairman), Ms. Li Mau (Co-Chairman), Mr. Sun Lap Key, Christopher, Mr. Lee Wing Ho, Albert, and Mr. Ho Gilbert Chi Hang as executive Directors; Mr. Wu King Shiu, Kelvin as non-executive director; Mr. Chan Chi Ho, Mr. Kam Tik Lun and Mr. Tam Kwok Ming, Banny as independent non-executive Directors.