
UPDATE ON LEGAL PROCEEDINGS

Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings ascribed to them in the 7 Apr Announcement (as defined herein).

1. The Board of Directors (the "**Board**") of the Company refers to the Company's announcement on 7 April 2016 (the "**7 Apr Announcement**") relating to the commencement of an action in the High Court of the Hong Kong Special Administrative Region Court of First Instance by DMX BVI (the "**Suit**") by way of Writ of Summons.
2. The Board wishes to announce that the Writ of Summons has been amended such that the Suit will no longer be a shareholder derivative action commenced by DMX BVI. Instead, DMX HK will replace DMX BVI as the plaintiff in the Suit and will no longer be a defendant in the Suit.
3. The Company will make such further announcement(s) on any material developments as and when appropriate.

Shareholders are advised to exercise caution when dealing in the securities of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests.

BY ORDER OF THE BOARD

Iwao Oishi
Executive Director, Vice Chairman, and Acting Chief Executive Officer
Date: 15 July 2016