



**UPDATE TO SHAREHOLDERS AND
ANNOUNCEMENT OF KDDI CORPORATION DATED 12 MAY 2015**

Unless otherwise defined herein, all capitalised terms used herein shall have the same meanings ascribed to them in the 25 Feb Announcement (as defined herein).

1. The Board of DMX Technologies Group Limited (the "**Company**") refers to its announcements on 9 February 2015 and 25 February 2015 (the "**25 Feb Announcement**") relating to the Suspension of Ms. Jismyl Teo and Mr. Skip Tang in connection with the HK Investigations, as well as the Company's announcement on 24 March 2015 relating to the suspension of trading of the Company's shares on SGX-ST (the "**24 Mar Announcement**").
2. As stated in the 24 Mar Announcement, the Company's appointed HK Counsel had provided the findings of its initial investigation, which indicated that there were irregular accounting practices at two of the Company's subsidiaries in 2008 and 2009. The Company wishes to update that it has expanded the scope of investigations and the findings are pending. The Company further wishes to update that it has established an internal investigation committee and is working with its appointed advisors to complete its investigation.
3. Separately, the Company has been working closely with the Company's external auditor to furnish them with the information necessary for the completion of the audit. In the course of collating the requested information and the investigations, the Company wishes to highlight the following:
 - (a) there is uncertainty in relation to accounts receivables arising from past transactions amongst the Company, and its clients and vendors, and the possibility of such accounts receivables not being collectible; and
 - (b) there is uncertainty in relation to the asset values recorded in respect of supplies, tangible and intangible fixed assets of the Company in connection with such transactions.
4. The Company also wishes to inform that its parent company, KDDI Corporation ("**KDDI**"), has today released its Financial Statements Summary for the year ended 31 March 2015. A copy of the announcement is available at <http://news.kddi.com/kddi/corporate/english/ir-news/2015/05/12/1117.html>. KDDI has in its consolidated financial statements posted an extraordinary loss of 33,798 million yen (approximately USD281 million based on the exchange rate of 120 JPY/USD), as a possible future loss attributed to the abovementioned incidents.
5. The Company wishes to reiterate that its investigations remain ongoing and it is unable to ascertain the impact of the abovementioned incidents on the Company at the moment. The Company will update the shareholders on the finalised findings of the investigation as soon as practicable.

DMX TECHNOLOGIES GROUP LIMITED



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
Vice Chairman and Acting Chief Executive Officer
Date: 12 May 2015