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A8 Digital Music Holdings Limited

A8 電媒音樂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 800)

**RESIGNATION OF DIRECTORS AND
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF THE
AUDIT COMMITTEE AND THE REMUNERATION COMMITTEE AND
CHANGE OF THE CHAIRMAN OF THE REMUNERATION COMMITTEE AND
ESTABLISHMENT OF THE NOMINATION COMMITTEE**

The Board hereby announces that with effect from 27 March 2012:

1. Mr. Li resigned as a non-executive Director;
2. Mr. Hui resigned as an independent non-executive Director and member of the Audit Committee as well as Remuneration Committee of the Company;
3. Ms. Wu has been appointed as an independent non-executive Director as well as the member of the Audit Committee and Remuneration Committee;
4. Ms. Wu has been appointed as the chairman of the Remuneration Committee in place of Mr. Liu who remains a member of the Remuneration Committee;
5. The Nomination Committee of the Company, which comprises three members namely Mr. Liu, Ms. Wu and Mr. Zeng, has been established and Mr. Liu has been appointed as the chairman of the Nomination Committee

The board (the "**Board**") of directors (the "**Directors**" and each, a "**Director**") of A8 Digital Music Holdings Limited (the "**Company**") announces that:

1. Mr. Li Wei (the "**Mr. Li**") resigned as a non-executive Director with effective from 27 March 2012.

Mr. Li, aged 48, graduated from Peking University in 1985 with a Bachelor's degree in Science. He further obtained a degree of Master of Economics in 1991 and a degree of Executive Master of Business Administration in 2005 from Peking University. He is currently a director of IER Venture Capital Co. Ltd., a Vice President of both of Shenzhen Venture Capital Association and Shenzhen Angel Investor Club. Mr. Li was appointed as a non-executive Director on 9 November 2007. He also acts as the director of Shenzhen Huadong Feitian Network Development Co., Ltd(深圳市華動飛天網絡技術開發有限公司) (the "**Huadong Feitian**") and Shenzhen Kwaitonglian Technology Co., Ltd (深圳市快通聯科技有限公司) (the "**Kwaitonglian**"), both of which are subsidiaries of the Company. After his resignation as the non-executive Director of the Company, Mr. Li will continue to hold the office of director for Huadong Feitian and Kwaitonglian.

According to the letter of appointment entered into by Mr. Li with the Company under which he acts as a non-executive Director without any director's fee for a term of service of 3 years starting from 12 June 2008 (the date on which the shares of the Company commenced trading on the Main Board of The Stock Exchange of Hong Kong Limited), and could be re-appointed on each annual general meeting of the Company during such term of service. The appointment could be terminated by not less than one month's written notice by Mr. Li or the written notice issued by the Company with immediate effect. Mr. Li should be subject to retirement by rotation and be re-elected as Director at the annual general meetings of the Company pursuant to the Articles of Association of the Company.

As at the date of this announcement, Mr. Li is deemed to be interested in the following share interests in the Company held directly or indirectly by Ms. Cui Jingtao, the spouse of Mr. Li, pursuant to Part XV of the Securities and Futures Ordinance:

- (i) 25% of the registered capital of Huadong Feitian ;
- (ii) 22,601,756 shares of the Company held by Top Result Enterprises Limited which representing 4.75% of the total issued share capital of the Company as at the date of this announcement. Ms. Cui is deemed to be interested in such shares because Top Result is wholly owned by Success Profit Investments Limited which is 100% owned as to Ms. Cui.

As at the date of this announcement, Mr. Li (i) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company; and (ii) has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

As at the date of this announcement, there is not any information relating to Mr. Li which is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The resignation of Mr. Li is due to his business developments which require more of his dedication. Mr. Li has confirmed that he has no disagreement with the Board and that there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to thank Mr. Li for his valuable contribution to the Company during his term of services.

2. Mr. Hui, Harry Chi (the “**Mr. Hui**”) resigned as an independent non-executive Director, a member of the Audit Committee and Remuneration Committee of the Company with effect from 27 March 2012.

Mr. Hui, , aged 48, who obtained a Master of Business Administration degree in 1992 from the University of Southern California, has many years of diversified experience in the media and music industry. He has worked for Warner/Chappell Music Publishing, Inc., Hong Kong as the Managing Director. From 1998 to 2000, Mr. Hui had been the Senior Vice President/General manager of MTV Asia LDC. From 2002 to 2005, Mr. Hui was the President of the South East Asia division of Universal Music Limited. From January 2007 to June 2010, Mr. Hui has been the Chief Marketing Officer for China Beverages Business Unit of Pepsico International. Since June 2010, Mr. Hui acts as the managing director of Catterton China Partners. He was appointed as an independent non-executive Director on 9 November 2007.

Mr. Hui has entered into a service contract with the Company (the “**Service Contract**”) for a term of service of 3 years starting from 12 June 2008 (the date on which the shares of the Company commenced trading on the Main Board of The Stock Exchange of Hong Kong Limited), the term shall renew automatically until terminates in accordance with the provisions of the Service Contract. The Service Contract is terminable by either Mr. Hui or the Company upon not less than three months' written notice to the other party or payment in lieu of such notice to the other party. Mr. Hui should be subject to retirement by rotation and be re-elected as Director at the annual general meetings of the Company pursuant to the Articles of Association of the Company. Mr. Hui has retired and been re-elected on the annual general meeting of the Company for the year 2012.

According to the Service Contract, Mr. Hui is entitled to a fixed director's fee of HK\$ 50,000 per annum which was determined by the Board with reference to the prevailing market conditions and based on the anticipated responsibilities to be taken up and professional expertise to be exercised by Mr. Hui to the Company's affairs and has been adjusted to HK\$70,000 effective from 1 January 2012.

As at the date of this announcement, Mr. Hui (i) does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; (ii) does not hold other positions with the Company or other members of the Company's group (the “**Group**”); (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

As at the date of this announcement, there is not any information relating to Mr. Hui which is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The resignation of Mr. Hui is due to his other business engagements which require more of his dedication. Mr. Hui has confirmed that he has no disagreement with the Board and that there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to thank Mr. Hui for his valuable contribution to the Company during his term of services.

3. Ms. Wu Shihong (the “**Ms. Wu**”) has been appointed as an independent non-executive Director as well as the member of The Audit Committee and Remuneration Committee of the Company with effect from 27 March 2012.

Ms. Wu, aged 55, has extensive experience in the information technology industry. She joined IBM China in 1985 and held the position of General Manager for channel management of IBM China from May 1997 to February 1998. She then acted as the General Manager of Microsoft China Co. Ltd. until August 1999. From December 1999 to December 2002, Ms. Wu was a Vice President of TCL Corporation as well as the General Manager of TCL Information Technology Industrial (Group) Co. Limited. She is an independent non-executive director of TCL Multimedia Technology Holdings Limited (Stock Code: 01070.HK) (the “**TCL Multimedia**”) since June 2007. Ms. Wu is the founder, the Chairman and Chief Executive Officer of Shanghai Blackspace Info. Tech. Co. Limited from May 2008.

Ms. Wu has entered into a service contract with the Company (the “**Contract**”) for a term of service of 3 years starting from 27 March 2012, the term shall renew automatically until terminates in accordance with the provisions of the Contract. The Contract is terminable by either Ms. Wu or the Company upon not less than three months' written notice to the other party or payment in lieu of such notice to the other party. Ms. Wu should be subject to retirement by rotation and be re-elected as Director at the annual general meetings of the Company pursuant to the Articles of Association of the Company.

Pursuant to the Contract, Ms. Wu is entitled to a fixed director's fee of HK\$ 90,000 per annum which was determined by the Board with reference to the prevailing market conditions and based on the anticipated responsibilities to be taken up and professional expertise to be exercised by Ms. Wu to the Company's affairs. Such emolument is subject to review by the Board from time to time pursuant to the power conferred on it on the annual general meetings of the Company.

As at the date of this announcement, Ms. Wu (i) does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; (ii) does not hold other positions with the Company or other members of the Group; (iii) does not have any relationship with any Directors,

senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) has not held any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years except as disclosed above.

As at the date of this announcement, there is not any information relating to Ms. Wu which is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The Board would like to express its warm welcome to Ms. Wu in joining the Board.

4. For the purpose of compliance with the amended Listing Rules which becomes effective as of 1 April 2012, Ms. Mr. Liu Xiaosong (the “**Mr. Liu**”) has resigned as the chairman of the Remuneration Committee while remains a member of the Remuneration Committee and Ms. Wu has been appointed as the chairman of the Remuneration Committee with effect from 27 March 2012.

Upon such changes, the Remuneration Committee of the Company consists of:

Ms. Wu Shihong (chairman, independent non-executive Director)

Mr. Liu Xiaosong (member, executive Director)

Mr. Zeng Liqing (member, independent non-executive Director, the “**Mr. Zeng**”)

5. The Nomination Committee of the Company, which comprises three members namely Mr. Liu (executive Director), Ms. Wu (independent non-executive Director) and Mr. Zeng (independent non-executive Director), has been established on 27 March 2012, and Mr. Liu has been appointed as the chairman of the Nomination Committee in the meantime.

By Order of the Board
A8 Digital Music Holdings Limited
Liu Xiaosong
Chairman and Executive Director

Hong Kong, 27 March 2012

As at the date of this announcement, the Board comprises:

(1) executive Directors namely Mr. Liu Xiaosong and Mr. Lu Bin; and

(2) independent non-executive Directors namely Mr. Chan Yiu Kwong, Mr. Zeng Liqing and Ms. Wu Shihong.