

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

PERCEPTION DIGITAL HOLDINGS LIMITED

幻音數碼控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1822)

EFFECTIVE DATE FOR CAPITAL REDUCTION AND SUB-DIVISION AND FREE EXCHANGE OF SHARE CERTIFICATES

The Board is pleased to announce that the Order was granted by the Court on 17 January 2014 (Cayman Islands time), and a copy of the Order was filed and duly registered with the Registrar of Companies in the Cayman Islands on 20 January 2014 (Cayman Islands time). Accordingly, all the conditions precedent for the implementation of the Capital Reduction and the Sub-division have been fulfilled and the Capital Reduction and Sub-division became effective on 20 January 2014 (after market close) (Hong Kong time).

Reference is made to the announcement of Perception Digital Holdings Limited (the “**Company**”) dated 8 August 2013 (the “**Announcement**”) and the circular of the Company dated 20 August 2013 (the “**Circular**”) in relation to, among other things, the Capital Reduction and the Sub-division. Unless defined herein otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement and the Circular.

The Board of directors of the Company (the “**Board**”) is pleased to announce that the order confirming the Capital Reduction and the Sub-division (the “**Order**”) was granted by the Court on 17 January 2014 (Cayman Islands time), and a copy of the order of the Court was filed and duly registered with the Registrar of Companies in the Cayman Islands on 20 January 2014 (Cayman Islands time). Accordingly, all the conditions precedent for the implementation of the Capital Reduction and Sub-division have been fulfilled and the Capital Reduction and Sub-division became effective on 20 January 2014 (after market close) (Hong Kong time).

FREE EXCHANGE OF SHARE CERTIFICATES

Shareholders may, during the period from Tuesday, 21 January 2014 to Thursday, 27 February 2014, submit share certificates for the Shares to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the New Shares. Thereafter, share certificates for the then Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate issued or cancelled, whichever is higher. Nevertheless, share certificates for the then Shares will not be acceptable for trading purposes but will continue to be good evidence of legal title and may be exchanged for new share certificates for the New Shares at any time.

The colour of the new share certificates for the New Shares will be pink.

TIMETABLE

Set out below is the timetable for the implementation of the Capital Reduction and the Sub-division:

Events	Hong Kong time
Effective date of the Capital Reduction and Sub-division.	Monday, 20 January 2014 (after market close)
Commencement of dealings in the New Shares.	Tuesday, 21 January 2014
First day for free exchange of existing share certificates for new share certificates for New Shares	Tuesday, 21 January 2014
Last day for free exchange of existing share certificates for new share certificates for New Shares	Thursday, 27 February 2014

By order of the Board
Perception Digital Holdings Limited
Mr. Mung Wai Ming
Executive Director

Hong Kong, 20 January 2014

As at the date of this announcement, the executive Directors are Mr. Mung, Wai Ming, Ms. Liu, Yee Nee and Mr. Lee Rabi; and the independent non-executive Directors are Mr. Ng Wai Hung, Mr. William Keith Jacobsen and Ms. Zhou Jing.