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## **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)**

### **RESULTS OF THE OPEN OFFER AND ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS, OPTIONS AND WARRANTS**

#### **RESULTS OF THE OPEN OFFER**

The Board announces that as all conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriters on or before the Latest Time for Termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Tuesday, 21 January 2014.

As at 4:00 p.m. on Friday, 17 January 2014, being the Latest Time for Acceptance, 54 valid acceptances were received for a total of 1,022,435,654 Offer Shares, representing approximately 76.04% of the total number of 1,344,600,000 Offer Shares being offered under the Open Offer. The Open Offer was under-subscribed by 322,164,346 Offer Shares. In accordance with the terms of the Underwriting Agreement, the Underwriters had performed their underwriting obligations and had procured sub-underwriters and/or subscribers to subscribe for all the untaken Offer Shares.

It is expected that the share certificates for all Offer Shares will be posted to those Shareholders who have accepted and paid for the Offer Shares by ordinary post at their own risk on or before Monday, 27 January 2014.

Dealings in the Offer Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 28 January 2014. The Shares will be traded in board lots of 30,000 Shares each.

## **ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS, OPTIONS AND WARRANTS**

As a result of the Open Offer, adjustments will be made to (i) the exercise price of the outstanding Share Options and number of Shares that can be subscribed for upon the exercise of the outstanding Share Options; (ii) the exercise price of the outstanding Options and the number of Shares that can be subscribed for upon the exercise of the outstanding Options; and (iii) the subscription price of the outstanding Warrants.

Reference is made to the prospectus of Perception Digital Holdings Limited dated 3 January 2014 (the “Prospectus”) in respect of, among other things, the Open Offer of 1,344,600,000 Offer Shares on the basis of six Offer Shares for every five Shares held on the Record Date at HK\$0.05 per Offer Share. Capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus, unless the context herein requires otherwise.

## **RESULTS OF THE OPEN OFFER**

As at 4:00 p.m. on Friday, 17 January 2014, being the Latest Time for Acceptance, 54 valid acceptances were received for a total of 1,022,435,654 Offer Shares, representing approximately 76.04% of the total number of 1,344,600,000 Offer Shares being offered under the Open Offer.

### **The Underwriting Agreement**

As all conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriters on or before the Latest Time for Termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Tuesday, 21 January 2014. The Open Offer was under-subscribed by 322,164,346 Offer Shares. In accordance with the terms of the Underwriting Agreement, the Underwriters had performed their underwriting obligations and had procured sub-underwriters and/or subscribers to subscribe for all the untaken Offer Shares. To the best of the Directors’ knowledge, information and belief and after having made reasonable enquiries, each of the sub-underwriters and subscribers and their respective ultimate beneficial owners (if any) are Independent Third Parties.

## Changes in shareholding structure of the Company

To the best of the knowledge, information and belief of the Directors and after having made all reasonable enquiries, the following is a summary of the shareholding structure of the Company immediately before and after completion of the Open Offer:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<b>Current Directors</b>				
Keen Platinum ( <i>Note 1</i> )	65,441,500	5.84%	143,971,300	5.84%
Mr. Lee Rabi	270,000	0.02%	270,000	0.01%
<b>Past Directors</b>				
Swanland ( <i>Note 2</i> )	188,388,510	16.81%	414,454,722	16.81%
Masteray ( <i>Note 2</i> )	80,743,045	7.21%	177,634,699	7.21%
Ms. Loh ( <i>Note 2</i> )	4,717,000	0.42%	10,377,400	0.42%
Dr. Jack Lau and his associates ( <i>Note 2</i> )	273,848,555	24.44%	602,466,821	24.44%
<b>Substantial Shareholders</b>				
Capital Fame	120,000,000	10.71%	264,000,000	10.71%
<b>Public Shareholders</b>				
Other subscribers procured by the Underwriters ( <i>Note 3</i> )	–	–	322,164,346	13.07%
Other Public Shareholders	660,939,945	58.99%	1,132,227,533	45.93%
Total	<u>1,120,500,000</u>	<u>100.00%</u>	<u>2,465,100,000</u>	<u>100.00%</u>

### Notes:

- Keen Platinum is wholly-owned by Mr. Mung Wai Ming, an executive Director.
- As at the date of this announcement, Swanland is owned as to 67.3% by Masteray and therefore Masteray is deemed to be interested in all the Shares held by Swanland. Masteray is wholly-owned by Sea Progress Limited, which, through a discretionary trust, is wholly-owned by Credit Suisse Trust Limited. Ms. Loh is the founder of the said trust, and hence she is deemed to be interested in 273,848,555 Shares. Dr. Jack Lau, being the spouse of Ms. Loh, is deemed to be interested in all the Shares held by Ms. Loh. Dr. Jack Lau resigned as an executive Director effective from 29 June 2013.

3. The Underwriters have confirmed that each subscriber and their ultimate beneficial owners are Independent Third Parties and holds less than 10% of the issued share capital of the Company as enlarged by the Offer Shares.

### **Despatch of share certificates for the Offer Shares**

It is expected that the share certificates for all Offer Shares will be posted to those Shareholders who have accepted and paid for the Offer Shares by ordinary post at their own risk on or before Monday, 27 January 2014.

### **Commencement of dealings in the Offer Shares**

Dealings in the Offer Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 28 January 2014. The Shares will be traded in board lots of 30,000 Shares each.

## **ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS, OPTIONS AND WARRANTS**

### **Adjustments to the outstanding Share Options**

With reference to the provisions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding the interpretation of Rule 17.03(13) of the Listing Rules, the exercise price of the outstanding Share Options and the number of Shares that can be subscribed for upon the exercise of the outstanding Share Options will be adjusted in the following manner:

	<b>Before the Open Offer</b>		<b>Upon completion of the Open Offer</b>	
	<b>Exercise price per Share</b>	<b>Number of Shares that can be subscribed for upon exercise of the outstanding Share Options</b>	<b>Exercise price per Share</b>	<b>Number of Shares that can be subscribed for upon exercise of the outstanding Share Options</b>
<b>Date of grant</b>				
26 March 2010	HK\$0.646	1,853,469	HK\$0.429	2,788,729

The auditors of the Company have confirmed in writing the arithmetic accuracy of the calculation of the adjustments to the exercise price of the outstanding Share Options and the number of Shares that can be subscribed for upon the exercise of the outstanding Share Options.

## Adjustments to the outstanding Options

As a result of the Open Offer, the exercise price of the outstanding Options and the number of Shares that can be subscribed for upon the exercise of the outstanding Options will be adjusted pursuant to the terms of the Option Agreement in the following manner:

Date of grant	Before the Open Offer		Upon completion of the Open Offer	
	Exercise price per Share	Number of Shares that can be subscribed for upon the exercise of the outstanding Options	Exercise price per Share	Number of Shares that can be subscribed for upon the exercise of the outstanding Options
11 August 2011	HK\$0.351	67,472,775	HK\$0.233	101,519,537 <i>(Note)</i>

*Note:*

The number of Shares that can be subscribed for upon the exercise of the outstanding Options upon completion of the Open Offer of 76,241,580 are yet to be vested and exercisable pursuant to the terms of the Option Agreement.

## Adjustments to the outstanding Warrants

Immediately prior to the Open Offer, the Company had outstanding Warrants conferring rights upon the holders thereof to subscribe in cash in aggregate up to HK\$16,807,500 for new Shares at a subscription price of HK\$0.23 per Share. As a result of the Open Offer, the subscription price of the outstanding Warrants will be adjusted from HK\$0.23 per Share to HK\$0.14 per Share pursuant to the terms of the instrument relating to the Warrants. The auditors of the Company have confirmed in writing the arithmetic accuracy of the calculation of the adjustment to the subscription price of the outstanding Warrants.

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

Hong Kong, 24 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.*