
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Perception Digital Holdings Limited (“**Company**”), you should at once hand this prospectus and the accompanying form of proxy to the purchaser, the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, together with the written consent referred to in the paragraph headed “Expert and Consent” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance. Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the Prospectus Documents.

Subject to the grant of the listing of and permission to deal in the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, 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 prospectus.

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)

PROPOSED OPEN OFFER ON THE BASIS OF SIX OFFER SHARES FOR EVERY FIVE EXISTING SHARES HELD ON THE RECORD DATE; AND CHANGE IN BOARD LOT SIZE

Underwriters



It should be noted that the Underwriting Agreement contains provisions granting the Underwriters the right to terminate the obligations of the Underwriters thereunder on the occurrence of certain events. These certain events are set out in the section headed “Termination of the Underwriting Agreement” on pages 10 to 11 of this prospectus. If the Underwriting Agreement is terminated by the Underwriters or does not become unconditional on or before 31 March 2014, the Open Offer will not proceed.

The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m. on Friday, 17 January 2014. The procedure for application and payment for the Offer Shares are set out on page 19 of this prospectus.

The Open Offer is conditional, *inter alia*, upon the fulfillment of the conditions set out under the section headed “Conditions of the Open Offer” of this prospectus. In particular, the Open Offer is subject to the completion of the Capital Reduction and the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Shareholders or other persons contemplating selling or purchasing Shares up to the date when the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

3 January 2014

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed thereto under the Hong Kong Code on Takeovers and Mergers
“Announcement”	the announcement of the Company dated 14 November 2013 in relation to, among other things, the Open Offer and the Underwriting Agreement
“Application Form(s)”	the form(s) of application in respect of the Open Offer to be issued to the Qualifying Shareholders
“associate(s)”	has the same meaning ascribed to it in the Listing Rules
“Board”	the board of the Directors
“Business Day”	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“BVI”	British Virgin Islands
“Capital Fame”	Capital Fame Technology Limited, a company incorporated in the BVI with limited liability which is wholly-owned by Mr. Chan Yuen Ming and interested in 120,000,000 Shares as at the Latest Practicable Date
“Capital Fame Undertaking”	the undertaking given by Capital Fame in favour of the Company and the Underwriters undertaking not to exercise the rights to any warrants between the date of the Underwriting Agreement up to and including the Record Date and that it will not dispose of any of the Warrants held by it between the date of the Underwriting Agreements and up to the Record Date

DEFINITIONS

“Capital Reduction”	the reduction of the paid-up capital of each of the issued Shares by cancelling paid-up capital of HK\$0.09 per share so that the nominal value of each issued Share will be reduced from HK\$0.10 to HK\$0.01 as announced by the Company on 8 August 2013
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China Galaxy”	China Galaxy International Securities (Hong Kong) Co., Limited, a licensed corporation permitted to conduct Type 1 regulated activity (dealing in securities), Type 4 regulated activity (advising on securities) and Type 6 regulated activity (advising on corporate finance) under the SFO
“Circular”	the circular of the Company dated 3 December 2013 in relation to, among other things, the Open Offer and the Underwriting Agreement
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Perception Digital Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1822)
“Completion”	completion of the Open Offer
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company held on 19 December 2013 that has approved, <i>inter alia</i> , the Open Offer and the Specific Mandate

DEFINITIONS

“Excluded Shareholder(s)”	those Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions provided by the legal advisers, consider it necessary or expedient not to offer the Offer Shares to such Overseas Shareholder(s) on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Final Acceptance Date”	17 January 2014 or such other date as may be agreed between the Company and the Underwriters and described as the latest date for acceptance of the Offer Shares in the Prospectus
“Group”	the Company and its subsidiaries
“Head & Shoulders”	Head & Shoulders Securities Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	the Shareholder(s), other than the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates, who are not involved in, nor interested in, the Underwriting Agreement
“Independent Third Parties”	a person who, as far as the Directors are aware after having made all reasonable enquires, is not a connect person of our Company within the meaning of the Listing Rules
“Keen Platinum”	Keen Platinum Limited, a company incorporated in the BVI with limited liability and wholly-owned by Mr. Mung Wai Ming, an executive Director, and interested in 65,441,500 Shares as at the Latest Practicable Date
“Last Trading Day”	14 November 2013, being the last trading day on which the Company and the Underwriters entered into the Underwriting Agreement

DEFINITIONS

“Latest Practicable Date”	Friday, 27 December 2013, being the latest practicable date prior to the date of this prospectus for the purpose of ascertaining certain information referred to in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on Friday, 17 January 2014 or such later time to be agreed in writing between the Company and the Underwriters, being the latest time for application of the Open Offer
“Latest Time for Termination”	4:00 p.m. on the 2nd Business Day following the Final Acceptance Date
“Listing Committee”	has the meaning attributed to that term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2014, being the latest date for the Open Offer to be unconditional
“Masteray”	Masteray Limited, a company incorporated in the BVI with limited liability
“Ms. Loh”	Ms. Loh Jiah Yee, Katherine, the spouse of Dr. Jack Lau, a past Director
“Offer Share(s)”	the new Shares proposed to be issued and allotted under the Open Offer, being 1,344,600,000 Shares
“Open Offer”	the proposed issue of the Offer Shares at the subscription price of HK\$0.05 on the basis of six (6) Offer Shares for every five (5) Shares held on the Record Date to the Qualifying Shareholders upon the terms and conditions as described in this prospectus

DEFINITIONS

“Option Agreement”	the option agreement dated 11 August 2011 entered into between the Company and Teleepoch Limited in relation to the Options, details of which are set out in the announcement of the Company dated 11 August 2011
“Options”	the options granted under the Option Agreement
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is(are) in a place(s) outside Hong Kong
“PRC”	The People’s Republic of China
“Prospectus”	this prospectus relating to the Open Offer to be despatched to the Qualifying Shareholders and the Excluded Shareholders
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date
“Record Date”	Thursday, 2 January 2014, being the record date for determining the entitlements of the Shareholders to participate in the Open Offer
“Registrar”	Tricor Investor Services Limited, the Hong Kong Branch Share Registrar of the Company
“Settlement Date”	the date being the 3rd Business Day after the Final Acceptance Date or such later date as the Company and the Underwriters may agree
“Share(s)”	ordinary share(s) of HK\$0.10 each (or following completion of the Capital Reduction, ordinary shares of HK\$0.01 each) in the share capital of the Company

DEFINITIONS

“Share Options”	the outstanding options held by the Director, employees and consultants of the Group to subscribe for 1,853,469 new Shares pursuant to the Share Option Scheme
“Share Option Scheme”	the Company’s share option scheme adopted on 27 November 2009
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders Undertakings”	the undertaking in which each of the Undertaking Shareholders has irrevocably undertaken to each of the Company and the Underwriters that (i) it will accept or procure its associates to accept all the Offer Shares to be provisionally allotted to it and its associates pursuant to the Open Offer in respect of the Shares held by it and its associates as at the Record Date; and (ii) it will not dispose of any Shares held by it between the date hereof up to and including the Record Date
“Specific Mandate”	the specific mandate granted by the Shareholders at the EGM to the Board for the allotment and issue up to a maximum of 10,000,000 Shares as a result of the adjustment to the exercise price of the Options in light of the Open Offer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Swanland”	Swanland Management Limited, a company incorporated in the BVI with limited liability
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Undertaking Shareholders”	Keen Platinum, Capital Fame, Swanland, Masteray and Ms. Loh

DEFINITIONS

“Underwriters”	China Galaxy International Securities (Hong Kong) Co., Limited and Head & Shoulders Securities Limited
“Underwriting Agreement”	the underwriting agreement dated 14 November 2013 entered into between the Company and the Underwriters and the Undertaking Shareholders in relation to the underwriting arrangement of the Open Offer
“Underwritten Shares”	all Offer Shares which are not subject of the Shareholders Undertakings, being 793,451,934 Offer Shares
“Warrants”	the outstanding warrants issued by the Company entitling Capital Fame, to subscribe in cash in aggregate up to HK\$16,807,500 for 73,076,087 new Shares at a subscription price of HK\$0.23 (subject to adjustment, if any).
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%” or “per cent.”	percentage or per centum

EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is indicative only. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	Time and Date
Despatch of the Prospectus Documents	Friday, 3 January 2014
Latest time for acceptance of and payment for the Offer Shares	4:00 p.m. on Friday, 17 January 2014
Open Offer expected to become unconditional	Wednesday, 22 January 2014
Announcement of results of acceptance of the Open Offer	Friday, 24 January 2014
Despatch of certificates for Offer Shares	Monday, 27 January 2014
Despatch of refund cheques if the Open Offer is terminated	Monday, 27 January 2014
Commencement of dealings in Offer Shares	Tuesday, 28 January 2014
Effective date of change in board lot size from 15,000 Shares to 30,000 Shares	Tuesday, 28 January 2014
Designated broker starts to stand in the market to provide matching services for odd lot of Shares	9:00 a.m. on Tuesday, 28 January 2014
Last day for the designated broker to stand in the market to provide matching services for odd lot of Shares	4:00 p.m. on Wednesday, 19 February 2014

EXPECTED TIMETABLE

All times and dates specified in this prospectus refer to Hong Kong local times.

The Open Offer is conditional upon, among other things, the completion of the Capital Reduction, for details of which please refer to the Company's announcements dated 8 August 2013, 19 August 2013 and 12 September 2013. The expected effective date of the Capital Reduction is on Monday, 20 January 2014. The expected date for the commencement of dealings in new Shares on the Stock Exchange after the Capital Reduction becomes effective is on Tuesday, 21 January 2014. Such effective date of the Capital Reduction may vary due to the timetable and availability of the Court, additional time required for compliance with the regulatory requirements in the Cayman Islands and/or with any requirements imposed by the Court or varied by the Company. If the Capital Reduction does not become effective on or before the Long Stop Date (or such later date or dates as may be agreed between the Company and the Underwriters), the Open Offer will not proceed and all the money received from the Shareholders who have subscribed for the Offer Shares shall be returned to the respective Shareholders within five Business Days after such date.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

All times in this prospectus refer to Hong Kong time. The Latest Time for Acceptance of and payment for the Offer Shares will not take place at the time stated above if there is a tropical cyclone warning signal no. 8 or above, or a "black" rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 17 January 2014. Instead the Latest Time for Acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 17 January 2014. Instead the Latest Time for Acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance of and payment for the Offer Shares does not take place on Friday, 17 January 2014, the dates mentioned in the section headed "Expected Timetable" above may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions granting the Underwriters, by notice in writing to the Company, the right to terminate the Underwriters' obligations thereunder on the occurrence of certain events. The Underwriters may terminate the Underwriting Agreement on or before the Latest Time for Termination if anytime on or before the Latest Time for Termination:

- (i) any of the Underwriters shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriters) material in the context of the Open Offer; or
- (ii) there shall be:
 - (a) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (b) any change in local, national or international financial, political, industrial or economic conditions;
 - (c) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (d) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (e) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
 - (f) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 10 trading days (as defined in the Listing Rules) other than relating to the Open Offer;
 - (g) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere

TERMINATION OF THE UNDERWRITING AGREEMENT

which is or are, in the reasonable opinion of the Underwriters:–

- (1) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
- (2) likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares to be taken up; or
- (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Open Offer,

then the Underwriters may, by notice in writing given to the Company on or before the Latest Time for Termination, rescind the Underwriting Agreement and thereupon all obligations of the Underwriters hereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save for any antecedent breaches hereof) and the Open Offer shall not proceed.

If the Underwriting Agreement is terminated by the Underwriters on or before the aforesaid deadline or does not become unconditional on or before Long Stop Date, the Open Offer will not proceed. An announcement will thereafter be made by the Company.

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Mung Wai Ming

Ms. Liu Yee Nee

Mr. Lee Rabi

Independent non-executive Directors:

Mr. William Keith Jacobsen

Ms. Zhou Jing

Mr. Ng Wai Hung

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 311, 3rd Floor

Core Building 1

No. 1 Science Park East Avenue

Hong Kong Science Park

Pak Shek Kok, New Territories

Hong Kong

3 January 2014

*To the Qualifying Shareholders and, for information only, the Excluded Shareholders and
the holder(s) of the Share Options, the Options and the Warrants*

Dear Sir or Madam,

**PROPOSED OPEN OFFER ON THE BASIS OF
SIX OFFER SHARES FOR EVERY FIVE EXISTING SHARES
HELD ON THE RECORD DATE;
AND
CHANGE IN BOARD LOT SIZE**

INTRODUCTION

Reference is made to the Circular in relation to, among other matters, the Open Offer and the Underwriting Agreement.

On 14 November 2013, the Board announced that the Company proposed the Open Offer at the subscription price of HK\$0.05 per Offer Share on the basis of six Offer Shares for every five existing Shares held on the Record Date.

LETTER FROM THE BOARD

The Open Offer is conditional upon, among other things, the approval by the Independent Shareholders at the EGM and the completion of the Capital Reduction. At the EGM held on 19 December 2013, the resolutions in respect of the Underwriting Agreement, Open Offer and the Special Mandate were duly passed by the Independent Shareholders by way of poll.

The purpose of this prospectus is to provide you with further details regarding the Open Offer, the Underwriting Agreement and certain information in respect of the Group.

TERMS OF THE OPEN OFFER

Issue statistics

Basis of the Open Offer:	Six (6) Offer Shares for every five (5) Shares held on the Record Date and payable in full on acceptance
Number of Shares in issue as at the Latest Practicable Date:	1,120,500,000 Shares
Number of Offer Shares:	1,344,600,000 Offer Shares
Aggregate nominal value of the Offer Shares (before the completion of the Capital Reduction):	HK\$134,460,000.00
Aggregate nominal value of the Offer Shares (after the completion of the Capital Reduction):	HK\$13,446,000.00
Subscription price:	HK\$0.05
Enlarged issued share capital of the Company upon Completion:	2,465,100,000 Shares

LETTER FROM THE BOARD

Funds raised before expenses: approximately HK\$67.2 million

Number of Underwritten Shares 793,451,934 Offer Shares
underwritten by the Underwriters:

As at the Latest Practicable Date, there were outstanding Share Options conferring rights on the holders thereof to subscribe for up to 1,853,469 new Shares which are vested and exercisable at HK\$0.646 per Share (subject to adjustment, if any) during an exercise period from 26 March 2012 to 25 March 2014.

As at the Latest Practicable Date, there were outstanding Options conferring rights on the holders thereof to subscribe for up to 67,472,775 new Shares, of which 16,800,450 Options are vested and exercisable at HK\$0.351 per Share (subject to adjustment, if any) during an exercise period from 11 November 2011 to 10 August 2016 and 50,672,325 Options are yet to be vested and exercisable and will remain unvested and non-exercisable prior to the Completion pursuant to the terms of the Option Agreement.

As at the Latest Practicable Date, there were outstanding Warrants conferring rights on Capital Fame, a substantial Shareholder, to subscribe in cash in aggregate up to 73,076,087 new Shares at a subscription price of HK\$0.23 (subject to adjustment, if any). Capital Fame has given an irrevocable undertaking in favour of the Company and the Underwriters not to exercise any Warrants to subscribe for new Shares between the date of the Underwriting Agreement up to and including the Record Date; and not to dispose of any Warrants held by it between the date of the Underwriting Agreement up to and including the Record Date.

As at the Latest Practicable Date, save for the outstanding Share Options, Options and the Warrants as mentioned above, the Company had no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares and rights over Shares. No Shares shall be allotted or issued between the date of the Underwriting Agreement and up to, and including, the Record Date (other than pursuant to the outstanding and vested of the Share Options and Options).

The number of Offer Shares in aggregate of 1,344,600,000 Shares to be allotted and issued represents (i) 120.00% of the existing issued share capital of the Company; and (ii) approximately 54.55% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares immediately after Completion.

LETTER FROM THE BOARD

Subscription Price

The subscription price per Offer Share was arrived at after arm's length negotiation between the Company and the Underwriters under prevailing market conditions and the net asset value of the Company. The Directors consider that the discount would encourage the Qualifying Shareholders to participate in the Open Offer, which would enable the Qualifying Shareholders to maintain their respective shareholdings in the Company and participate in the future growth of the Group. The Directors consider the terms of the Open Offer, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The subscription price of HK\$0.05 per Offer Share is payable in full upon application.

The subscription price per Offer Share represents:

- (i) a discount of approximately 73.7% to the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 74.2% to the average closing price of HK\$0.194 per Share for the last five consecutive trading days quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a discount of approximately 75.2% to the average closing price of HK\$0.202 per Share for the last ten consecutive trading days quoted on the Stock Exchange up to and including the Last Trading Day;
- (iv) a premium of approximately 92.3% to the net asset value per Share of approximately HK\$0.026 based on the latest unaudited interim net asset value of the Group as at 30 June 2013 and the Shares in issue as at the Latest Practicable Date; and
- (v) a discount of approximately 44.4% to the closing price of HK\$0.090 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

Conditions of the Open Offer

The Open Offer is subject to the fulfillment (or waiver, if applicable) of the following conditions:

- a) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly certified by two directors of the Company (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the date of despatch of the Prospectus Documents and in compliance with the Listing Rules and the Companies Ordinance;
- b) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purposes only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the date of despatch of the Prospectus Documents;
- c) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, all the Offer Shares;
- d) the Underwriting Agreement not being terminated pursuant to the terms therein;
- e) the passing by the Independent Shareholders at the EGM of an ordinary resolution to approve the Open Offer (including, but not limited to, the exclusion of the offer of the Open Offer to the Excluded Shareholders);
- f) the Shares remained listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn and there is no indication being received from the Stock Exchange that the listing of the Shares may be withdrawn prior to the Settlement Date;
- g) completion of the Capital Reduction in all respects;
- h) compliance by the Company with all its obligations under the Underwriting Agreement; and
- i) the obligations of the Underwriters under the Underwriting Agreement not being terminated by the Underwriters in accordance with the terms thereof.

LETTER FROM THE BOARD

In any event of the above conditions (a) to (i) not being fulfilled or, with respect to conditions (f) and (i), waived in whole or in part by the Underwriters on or before the Long Stop Date (or such later date or dates as may be agreed between the Company and the Underwriters) or if the Underwriting Agreement shall be rescinded, all obligations and liabilities of the parties to the Underwriting Agreement shall forthwith cease and determine and no party shall have any claim against the other (save for any antecedent breaches thereof).

As at the Latest Practicable Date, condition (e) has been fulfilled.

Status of the Offer Shares

The Offer Shares, when allotted and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of their respective allotment and issue (as the case may be).

Fractional entitlements to the Offer Shares

Entitlements to the Offer Shares will be rounded down to the nearest whole number. Fractional entitlements to the Offer Shares will not be allotted and will be aggregated and dealt with as Offer Shares not taken up in accordance with the Underwriting Agreement.

Odd lots arrangement

There will be no odd lot arrangement in relation to and as a result of the Open Offer.

Application for listing

The Company has made application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Offer Shares on the Stock Exchange or such other dates as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

LETTER FROM THE BOARD

Dealings in the Offer Shares, which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty in Hong Kong.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company on the Record Date and not be an Excluded Shareholder.

In order to be registered as members of the Company on the Record Date, Shareholders must have lodged any transfers of the Shares (with the relevant share certificate(s)) with the Registrar at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong on or before 4:30 p.m. on Friday, 27 December 2013. The last day of dealings in the Shares on a cum-entitlement basis is Friday, 20 December 2013. The Shares have been dealt with on an ex-entitlement basis from Monday, 23 December 2013.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of its/his/her entitlement under the Open Offer, its/his/her proportionate shareholding in the Company will be diluted.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable or capable of renunciation and there will not be any trading in the assured entitlements on the Stock Exchange.

Closure of register of members

The register of members of the Company have been closed from Monday, 30 December 2013 to Thursday, 2 January 2014, both dates inclusive, to determine the eligibility of the Shareholders to the Open Offer. No transfers of Shares have been registered during the time the registers are closed.

Certificates of the Offer Shares and refund cheques

Subject to the Open Offer becoming unconditional, share certificates for the Offer Shares are expected to be posted on or before Monday, 27 January 2014 by ordinary post to those Qualifying Shareholders who have accepted and paid for their Offer Shares, at their own risks. Refund cheques in respect of the Offer Shares if the Open Offer is terminated or lapsed on or before the Long Stop Date for the fulfillment of the conditions of the Open Offer will be despatched by ordinary post within five Business Days after such date to the applicants at their own risk.

LETTER FROM THE BOARD

Rights of Excluded Shareholders

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. If there are any Overseas Shareholders at the close of business on the Record Date, such Overseas Shareholders may or may not be eligible to take part in the Open Offer.

Based on the register of members of the Company on the Record Date, the Company had one Overseas Shareholder whose address is in the USA holding 784,228 Shares.

The Directors have, in compliance with Rule 13.36(2)(a) of the Listing Rules, made enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholder taking into consideration the applicable securities legislation of the USA or the requirements of the relevant regulatory body or stock exchange in the USA for the issue of Open Offer to the Overseas Shareholder.

The Directors have been advised that all offers and sales of securities in the USA must be registered with the Securities and Exchange Commission (“SEC”) in the USA under the Securities Act of 1933, as amended “**the Securities Act**” and the relevant state securities regulator(s) under applicable state securities laws unless exemptions from the registration requirements of the Securities Act and applicable state securities laws are available. In order to structure the Open Offer to fall within the relevant exemption, the Company would have to make certain filings with the California State Securities regulator. The Directors consider that it would be onerous for the Company to comply with all the legal requirements in the USA to extend the Open Offer to such Overseas Shareholder. The Company will send this prospectus to this Excluded Shareholder for his information only.

Procedure for acceptance and payment for the Offer Shares

For each Qualifying Shareholder, an Application Form is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Offer Shares shown thereon. If the Qualifying Shareholder(s) wish(es) to exercise his/their rights to subscribe for all the Offer Shares provisionally allotted to him/them, he/they must lodge the Application Form(s) in accordance with the instructions printed thereon, together with the remittance for the full amount payable on acceptance, with the Share Registrar at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong, by no later than 4:00 p.m. on Friday, 17 January 2014 or such later time and/or date as may be agreed between the Company and the Underwriters.

LETTER FROM THE BOARD

All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with or banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**PERCEPTION DIGITAL HOLDINGS LIMITED – OPEN OFFER ACCOUNT**" and must be crossed "**Account Payee Only**".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Friday, 17 January 2014, that assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to apply for a number of Offer Shares different from your assured allotments. The Application Form is for use only by the person(s) named therein and is not transferable.

All cheques or banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Any application in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form and of any application monies received.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms by the Latest Time for Termination, the application monies will be refunded, without interest, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "**Account Payee Only**", to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants as soon as practicable thereafter.

Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

No application for excess Offer Shares

There is no arrangement for application for the Offer Shares by the Qualifying Shareholders in excess of their entitlements. Considering that each Qualifying Shareholder will be given an equal and fair opportunity to participate in the Company's future development by subscribing for his/her/its proportionate entitlement under the Open Offer, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures, which is not cost-effective from the viewpoint of the Company. Any Offer Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriters pursuant to the terms and conditions of the Underwriting Agreement.

LETTER FROM THE BOARD

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or dealing in the Offer Shares. It is emphasised that none of the Company, its Directors or any other parties involved in the Open Offer accept responsibility for any tax effects or liability of holders of the Offer Shares resulting from holding or disposal of, or dealing in of the Offer Shares.

UNDERWRITING AGREEMENT

- Date: 14 November 2013
- Underwriters:
- (1) China Galaxy International Securities (Hong Kong) Co., Limited (“**China Galaxy**”); and
 - (2) Head & Shoulders Securities Limited (“**Head & Shoulders**”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Underwriters and their respective ultimate beneficial owners are Independent Third Parties.

- Number of Shares to be underwritten: All Offer Shares which are not subject to the Shareholders Undertakings, being not less than 793,451,934 Offer Shares and not more than 816,161,802 Offer Shares
- Commission: 2.5% of the aggregate subscription price in respect of the number of Underwritten Shares. The commission was determined after arm’s length negotiation between the Company and the Underwriters, and the Directors are of the view that it is fair and reasonable

The Directors consider that the terms of the Underwriting Agreement are on normal commercial terms and are fair and reasonable as far as the Company and the Shareholders are concerned.

LETTER FROM THE BOARD

In the event that the Underwriters are required to take up the Underwritten Shares pursuant to their underwriting:

- (a) Each of the Underwriters together with its respective parties acting in concert, will not own 19.99% or more of the issued share capital of the Company immediately after the Open Offer; and
- (b) The Underwriters shall take up such number of Offer Shares and take relevant actions as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.

Shareholders Undertakings

As at the Latest Practicable Date, (i) Keen Platinum, a company incorporated in the BVI with limited liability and wholly-owned by Mr. Mung Wai Ming, an executive Director, was interested in 65,441,500 Shares, representing approximately 5.84% of the existing issued share capital of the Company; (ii) Capital Fame was interested in 120,000,000 Shares, representing approximately 10.71% of the existing issued share capital of the Company; and (iii) Swanland, Masteray and Ms. Loh, all being associates of Dr. Jack Lau, a past Director, were collectively interested in 273,848,555 Shares, representing approximately 24.44% of the existing issued share capital of the Company.

Each of the Undertaking Shareholders has severally and irrevocably undertaken to each of the Company and the Underwriters that (i) it/she will accept or procure its/her associates to accept all the Offer Shares to be provisionally allotted to it/her and its/her associates pursuant to the Open Offer in respect of the Shares held by it/her and its/her associates as at the Record Date; and (ii) it/she will not dispose of any Shares held by it/her between the date hereof up to and including the Record Date.

Save for the Shareholders Undertakings, as at the Latest Practicable Date, the Board had not received any information from any Shareholders of their intentions to take up the Offer Shares to be allotted to them.

Capital Fame Undertaking

As at the Latest Practicable Date, Capital Fame held the Warrants which entitle it to subscribe in cash in aggregate up to HK\$16,807,500 for 73,076,087 new Shares at a subscription price of HK\$0.23 (subject to adjustment, if any). Capital Fame has irrevocably undertaken to the Company and the Underwriters that (i) it will not exercise any Warrants to subscribe for new Shares between the date of the Underwriting Agreement up to and including the Record Date; and (ii) it will not dispose of any Warrants held by it between the date of the Underwriting Agreement up to and including the Record Date.

LETTER FROM THE BOARD

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in the provision of embedded firmware and turnkey solutions for consumer electronics devices, with services such as concept consultation, technology feasibility study, embedded firmware design and development, industrial design, intellectual property research, manufacturing and packaging, logistic management and after sales support.

As disclosed in the interim report of the Company for the six months ended 30 June 2013, the Group's business has been facing successive challenges due to the prolonged instability of the global economic condition. The revenue of the Group decreased by approximately 44.1% from approximately HK\$169.0 million in the first half of 2012 to approximately HK\$94.4 million in the first half of 2013. The Group's net loss was approximately HK\$17.3 million in the first half of 2013. As at 30 June 2013, the Group had bank and other borrowings amounting to HK\$82.5 million.

With a view to enlarging the capital base and strengthening the financial position of the Group, the Company believes that the Open Offer is in the best interests of the Group and the Shareholders as a whole since it would enable the Shareholders to maintain their respective pro rata shareholding interest in the Group and participate in the future growth of the Group by participating in the Open Offer.

The estimated net proceeds from the Open Offer will be approximately HK\$64.0 million (assuming no further issue of new Shares on or before Record Date). The Company intends to apply the net proceeds from the Open Offer as to (i) 50% for general working capital; and (ii) 50% for reduction of the Group's indebtedness.

WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is conditional, inter alia, upon the fulfillment of the conditions set out under the section headed "Conditions of the Open Offer" of this prospectus. In particular, the Open Offer is subject to the completion of the Capital Reduction and the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares up to the date when the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer could not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

LETTER FROM THE BOARD

CHANGES IN SHAREHOLDING STRUCTURE

Set out below is a summary of the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Completion assuming no acceptance by the Qualifying Shareholders other than the Undertaking Shareholders under the Open Offer; and (iii) immediately after the Completion assuming full acceptance by the Qualifying Shareholders under the Open Offer. For illustration purpose, it is assumed that there are no Excluded Shareholders under the Open Offer.

Holder	(i) As at the Latest Practicable Date		(ii) Immediately after the completion of the Open Offer assuming no acceptance by the Qualifying Shareholders other than the Undertaking Shareholders under the Open Offer		(iii) Immediately after the completion of the Open Offer assuming full acceptance by the Qualifying Shareholders under the Open Offer	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Current Directors						
Keen Platinum (Note 1)	65,441,500	5.84%	143,971,300	5.84%	143,971,300	5.84%
Mr. Lee Rabi	270,000	0.02%	270,000	0.01%	594,000	0.02%
Past Directors						
Swanland (Note 2)	188,388,510	16.81%	414,454,722	16.81%	414,454,722	16.81%
Masteray (Note 2)	80,743,045	7.21%	177,634,699	7.21%	177,634,699	7.21%
Ms. Loh (Note 2)	4,717,000	0.42%	10,377,400	0.42%	10,377,400	0.42%
Dr. Jack Lau and his associates (Note 2)	273,848,555	24.44%	602,466,821	24.44%	602,466,821	24.44%
Excel Direct Technology Limited (Note 3)	11,903,210	1.06%	11,903,210	0.48%	26,187,062	1.06%
Rochdale Consultancy Limited ("Rochdale") (Note 4)	2,976,665	0.27%	2,976,665	0.12%	6,548,663	0.27%
Substantial Shareholders						
The University of Hong Kong and its associate (Note 5)	140,482,433	12.54%	140,482,433	5.70%	309,061,349	12.54%
Capital Fame	120,000,000	10.71%	264,000,000	10.71%	264,000,000	10.71%
Underwriter(s)	–	–	793,451,934	32.19%	–	–
Public Shareholders	505,577,637	45.12%	505,577,637	20.51%	1,112,270,805	45.12%
Total	1,120,500,000	100.00%	2,465,100,000	100.00%	2,465,100,000	100.00%

Notes:

- Keen Platinum is wholly-owned by Mr. Mung, Wai Ming, an executive Director.
- 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.

LETTER FROM THE BOARD

3. Excel Direct Technology Limited is owned as to 50% by Prof. Tsui Chi Ying, who resigned as a non-executive Director effective from 19 July 2013.
4. Rochdale is owned as to 50% by Prof. Cheng Shu Kwan, Roger, who resigned as a non-executive Director effective from 19 July 2013.
5. The University of Hong Kong, a substantial shareholder of the Company, is the beneficial owner of 70,000,000 Shares and is interested in 70,482,433 Shares, through Centennial College, which is wholly-owned by it.

Pursuant to the Underwriting Agreement, the Underwriters have undertaken that in the event that the public float of the Company shall fall below the prescribed percentage applicable to the Company under the Listing Rules at the time of the allotment of the Offer Shares, the Underwriters shall take relevant actions as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.

The Company will take all reasonable steps to monitor the public float of the Company from time to time.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors including the results of the acceptance of the Open Offer. Further announcement will be made by the Company in accordance with the Listing Rules following the completion of the Open Offer upon which the Offer Shares are allotted and issued.

ADJUSTMENTS RELATING TO SHARE OPTIONS, OPTIONS AND WARRANTS UPON COMPLETION OF THE OPEN OFFER

The Open Offer, if it becomes unconditional, will cause adjustments to the subscription price and/or the number of Shares to be issued under the Share Option Scheme, Option Agreement and Warrants and under the respective terms thereof. Adjustments to certain terms of the Share Options shall be made pursuant to the Share Option Schemes and in compliance with Rule 17.03(13) of the Listing Rules and the supplemental guidance issued by the Stock Exchange in September 2005. An auditor will be engaged by the Company to confirm to the Directors in writing that such adjustments satisfy the requirements under Rule 17.03(13) of the Listing Rules. The exercise price of the outstanding Options and Warrants and the corresponding number of Shares that can be subscribed upon exercise will be adjusted pursuant to the terms of the Option Agreement and the Warrants. The Company will inform holders of the Share Options, Options and Warrants of such adjustments accordingly by written notice to each of them.

LETTER FROM THE BOARD

The allotment and issue of the Shares under the Warrants will be allotted and issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 1 June 2012 (the “2012 General Mandate”). The Directors estimated that the 2012 General Mandate will be sufficient to cover the additional Shares to be issued under the Warrants.

The allotment and issue of the Shares under the Options will be allotted and issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 6 May 2011 (the “2011 General Mandate”). In addition, on 19 December 2013, the Independent Shareholders granted at the EGM to the Board the Specific Mandate for the allotment and issue up to a maximum of 10,000,000 Shares as a result of the adjustment to the exercise price of the Options in light of the Open Offer. Based on the closing price of HK\$0.13 per Share (before adjustment by taking into account the Open Offer) as quoted on the Stock Exchange on 20 December 2013, being the last day of dealing in Shares on a cum-entitlement basis, the Directors estimated that the 2011 General Mandate will be sufficient to cover the additional Shares to be issued under the Options and it is not necessary to utilise the Specific Mandate.

FUND RAISING ACTIVITIES OF THE COMPANY WITHIN 12 MONTHS TO THE LATEST PRACTICABLE DATE

Date of completion announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
2 September 2013	Placing of 186,750,000 new Shares at HK\$0.176 per Share	HK\$31.7 million	50% for general working capital of the Group and 50% for reduction of the Group’s indebtedness	30% for general working capital of the Group; 50% for reduction of the Group’s indebtedness and the remaining 20% has been placed in bank deposits to be for its intended use
19 March 2013	Open offer on the basis of one offer share for every two shares held on the record date at the subscription price of HK\$0.1286 per offer share	HK\$38.1 million	(a) 30% for future funding requirement on research and development projects for electronic products;	(a) 20% for future funding requirement on research and development projects for electronic products and the remaining 10% has been placed in bank deposits to be for its intended use
			(b) 50% for general working capital; and	(b) 50% for general working capital; and
			(c) 20% for reduction of the Group’s indebtedness	(c) 20% for reduction of the Group’s indebtedness

Save as aforesaid, the Company did not conduct any fund raising activity in the past 12 months immediately preceding the Latest Practicable Date.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

As the Open Offer will increase the issued share capital of the Company by more than 50%, pursuant to the Listing Rules, any controlling shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates will abstain from voting in favour of the resolutions relating to the Open Offer and the Specific Mandate. As at the Latest Practicable Date, there were no controlling shareholders. Mr. Mung Wai Ming and Mr. Lee Rabi, being the executive Directors, holding 65,441,500 Shares and 270,000 Shares respectively as at the date of the EGM (representing approximately 5.84% and 0.02% of the issued share capital of the Company respectively) abstained from voting at the EGM in favour of the resolution to approve the Open Offer and the Specific Mandate pursuant to the Listing Rules.

CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lots of 15,000 Shares each and the market value of each board lot was HK\$1,350 (based on the closing price of HK\$0.09 per Share as quoted on the Stock Exchange on the Latest Practicable Date). As disclosed in the announcement of the Company dated 2 January 2013, in order to increase the value of each board lot of the Shares so that the value of each board lot of the Shares will not be less than HK\$2,000, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes to change the board lot size for trading of the Shares from 15,000 Shares to 30,000 Shares with effect from Tuesday, 28 January 2014. The change in board lot size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and its Shareholders as a whole.

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed South China Securities Limited as an agent to provide matching services to Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from Tuesday, 28 January 2014 to Wednesday, 19 February 2014 (both days inclusive). Holders of the Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot may directly or through their broker contact South China Securities Limited at 28/F., Bank of China Tower, No. 1 Garden Road, Central, Hong Kong at office hours (telephone: (852) 31966237, contact person: Ms. Michelle Lee) during such period. Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

LETTER FROM THE BOARD

All existing share certificates in board lot of 15,000 Shares will continue to be evidence of entitlement to the Shares and be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing shareholdings will be issued as a result of the change in board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size of 15,000 Shares to new share certificates in board lot size of 30,000 Shares is necessary.

With effect from Tuesday, 28 January 2014, any new certificate of the Shares will be issued in new board lot size of 30,000 Shares (except for odd lots or where the Shareholder(s) otherwise instruct(s)). Save and except for the change in the number of Shares for each board lot, new certificates of shares will have the same format and colour as the existing certificates of Shares.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices to this prospectus.

On behalf of the Board
Perception Digital Holdings Limited
Mr. Mung Wai Ming
Executive Director

1. SUMMARY OF FINANCIAL RESULTS

The following is a summary of certain financial information of the audited consolidated results for the three financial years ended 31 December 2010, 2011 and 2012 as extracted from the annual reports of the Company for each of the three years ended 31 December 2010, 2011 and 2012. Save as disclosed on the face of the financial information below, there were no items which were extraordinary or exceptional because of size, nature or incidence for the consolidated statement of comprehensive income of the Group for each of the years ended 31 December 2010, 2011 and 2012.

	For the year ended 31 December		
	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>	2010 <i>HK\$'000</i>
Turnover	<u>340,870</u>	<u>533,407</u>	<u>497,683</u>
Profit/(loss) before taxation	(98,011)	(25,386)	26,896
Income tax credit/(expense)	<u>1,364</u>	<u>3,397</u>	<u>(3,872)</u>
Profit/(loss) for the year attributable to owners of the Company	<u>(96,647)</u>	<u>(21,989)</u>	<u>23,024</u>
Profit/(loss) per share Basic and diluted (HK cents per share)	<u>(15.5)</u>	<u>(3.5)</u>	<u>3.7</u>

In accordance with the Group's accounting policy, the computation of diluted loss per share did not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price of the Company's shares for the three financial years ended 31 December 2013.

APPENDIX I**FINANCIAL INFORMATION OF THE GROUP**

	At 31 December		
	2012	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets	44,502	49,678	27,548
Current assets	208,242	325,670	288,075
Current liabilities	<u>198,908</u>	<u>267,939</u>	<u>185,836</u>
Total assets less current liabilities	<u>53,836</u>	<u>107,409</u>	<u>129,787</u>
Non-current liabilities	<u>45,043</u>	<u>8,791</u>	<u>10,191</u>
Net assets	<u><u>8,793</u></u>	<u><u>98,618</u></u>	<u><u>119,596</u></u>

As all of the subsidiaries of the Company were directly or indirectly wholly owned by the Company for the three years ended 31 December 2012, no minority interests were recorded in the financial statements of the Company during such period. The declared dividend for the year ended 31 December 2010 amounted to HK\$3,112,500. No dividend was declared for the year ended 31 December 2011 and 2012.

2. AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Financial information of the Group for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 and the six months ended 30 June 2013, including the notes thereto, have been published in the annual reports of the Company for the years ended 31 December 2010 (pages 41 to 114), 31 December 2011 (pages 40 to 111) and 31 December 2012 (pages 36 to 110) and the interim report of the Company for the six months ended 30 June 2013 (pages 1 to 14) respectively, which are incorporated by reference into this prospectus. The said annual reports and interim report of the Company are available on the Company's website at www.perceptiondigital.com and the website of the Stock Exchange at www.hkexnews.hk.

3. INDEBTEDNESS STATEMENT

At the close of business on 30 November 2013, the Group had (i) total outstanding borrowings of approximately HK\$37.3 million, comprising an unsecured and unguaranteed loan from a related company of approximately HK\$12.3 million and an unsecured and unguaranteed loan from a shareholder of the Company of approximately HK\$25.0 million; and (ii) outstanding secured letters of guarantee issued by a bank of approximately HK\$6.2 million.

The secured letters of guarantee issued by a bank are secured by the pledge of the Group's bank deposits amounting to approximately HK\$6.3 million as at 30 November 2013.

Disclaimer

Save as disclosed in this prospectus and apart from intra-group liabilities and trade payables, the Group did not have any loan capital issued and outstanding or agreed to be issued, or any outstanding debt securities, bank overdrafts, other borrowings or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities as at the close of business on 30 November 2013.

The Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since 30 November 2013.

4. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the financial resources available to the Group, including (i) internal resources of the Group; (ii) available credit facilities of the Group; and (iii) the estimated net proceeds from the Open Offer, and in the absence of unforeseen circumstances, the Group has sufficient working capital for its present working capital requirements, that is, for at least the next twelve months following the date of this prospectus.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2012, being the date to which the latest published audited consolidated financial statements of the Group were made up.

6. BUSINESS PROSPECTS**Trading and financial prospects of the Group**

As at the Latest Practicable Date, the Group is principally engaged in the provision of embedded firmware and turnkey solutions for consumer electronics devices, with services such as concept consultation, technology feasibility study, embedded firmware design and development, industrial design, intellectual property research, manufacturing and packaging, logistic management and after sales support.

As disclosed in the interim report of the Company for the six months ended 30 June 2013, during the six months ended 30 June 2013, revenue of the Group decreased by approximately 44.1% to HK\$94.4 million from HK\$169.0 million as recorded in the corresponding period in the last fiscal year. The decrease was mainly attributable to the decrease in sales of products by HK\$74.5 million, or approximately 44.8%, from HK\$166.4 million in the six months ended 30 June 2012 to HK\$91.9 million in the six months ended 30 June 2013. This was mainly caused by the shift of our product mix from products with relatively higher selling price but lower profit margin to our new golf swing analyser (“3BaysGSA”), which was launched in second half of 2012, with relatively lower selling price but higher profit margin. With the launch of our new 3BaysGSA, the overall gross profit for the six month ended 30 June 2013 increased by 11.2%, or HK\$1.4 million, as compared to the corresponding period in 2012.

In view of the above, the net loss of the Group for the six months ended 30 June 2013 decreased to HK\$17.3 million, as compared to the net loss of HK\$18.3 million recorded in the corresponding period in 2012.

In terms of revenue breakdown, our revenue from sales of goods, royalty fees and income from rendering of services contributed approximately 97.3% (2012: 98.4%), 0.4% (2012: 0.1%) and 2.3% (2012: 1.5%), respectively. During the six months ended 30 June 2013, upon the requests of customers for coping with their marketing strategies, products delivered to Hong Kong decreased by approximately HK\$26.7 million to HK\$8.8 million.

The results the Group have been affected by the global economic downturn caused by the European sovereign debt crisis since 2012. In order to cope with the adverse environment, the Group had already implemented several cost-saving measures since the second half of 2012, including but not limited to (i) streamline the operation flows and focus on core product development; (ii) centralised our employees in Hong Kong from two office premises to one office premise; and (iii) tightening the cost control policies on various expenditures. The Group will continue to closely monitor and review the cost control policies on a regular basis.

In addition to the saving of operating costs, the Group also actively deploys new markets and customers to enhance its profitability. With the success of marketing and promoting the Group's 3BaysGSA, which was launched in the second half of 2012 and had higher profit margin than other products of the Group. The 3BaysGSA was found to be well accepted by many golfers and received positive reviews in many professional golf magazines and forums. The Group has been focusing to develop sales channels, including golf shops, sports outlets and online websites, in the United States and Asian countries. Starting from June 2013, the 3BaysGSA is also available on the Apple Stores in the United States and Canada. The Group will continue to explore potential new customers and enhance the functionality in new version of the 3BaysGSA.

7. EVENTS AFTER 30 JUNE 2013 BEING THE DATE ON WHICH THE LATEST PUBLISHED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP WERE MADE UP

As disclosed in the announcements of the Company dated 22 August 2013 and 23 August 2013, the Company entered into the placing agreement and deed of variation with China Galaxy to place up to 186,750,000 Shares ("Placing Shares") at HK\$0.176 per Share on a best effort basis (the "Placing"). The Placing Shares were to be issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 31 May 2013. As disclosed in the announcement of the Company dated 2 September 2013, all the conditions of the Placing have been fulfilled and completion of the Placing took place on 2 September 2013 and an aggregate of 186,750,000 Placing Shares have been successfully placed at the placing price of HK\$0.176 per Placing Share to not fewer than six independent placees, who and whose ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules). The Placing Shares represent (i) 20% of the issued share capital of the Company as at the date of placing agreement; and (ii) approximately 16.67% of the issued share capital of the Company immediately upon completion of the Placing. The Company received net proceeds of approximately HK\$31.7 million from the Placing.

For illustrative purpose only, set out below is the unaudited pro forma adjusted consolidated net tangible assets of the Group (the “Unaudited Pro Forma Financial Information”) as if Open Offer had been completed on 30 June 2013. Although reasonable care has been exercised in preparing the Unaudited Pro Forma Financial Information, Shareholders who read the information below should bear in mind that these figures are inherently subject to adjustments and, because of its hypothetical nature, may not give a true picture of the Group’s financial position had the open offer been completed as at 30 June 2013 or any future dates.

**UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF
THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY**

The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company set out below has been prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules to illustrate the effect of the proposed Open Offer on the unaudited consolidated net tangible liabilities of the Group as if the Open Offer had been completed on 30 June 2013.

The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Open Offer.

APPENDIX II

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared based on the unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2013, with adjustment described below.

Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2013	Estimated net proceeds from the Open Offer	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Open Offer	Unaudited consolidated net tangible liabilities per Share attributable to owners of the Company as at 30 June 2013	Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company immediately after completion of the Open Offer
<i>HK\$'000</i> <i>(Note 1)</i>	<i>HK\$'000</i> <i>(Note 2)</i>	<i>HK\$'000</i>	<i>HK\$</i> <i>(Note 3)</i>	<i>HK\$</i> <i>(Note 4)</i>
Based on 1,344,600,000 Offer Shares at a Subscription Price of HK\$0.05 per Offer Share				
(2,963)	64,000	61,037	(0.003)	0.027

Notes:

- 1 The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2013 is calculated based on the unaudited consolidated net assets of the Group attributable to owners of the Company as at 30 June 2013 of approximately HK\$29,546,000, adjusted by deducting the deferred development costs of the Group as at 30 June 2013 of approximately HK\$32,509,000, both are extracted from the published interim report of the Company for the six months ended 30 June 2013.
- 2 The estimated net proceeds from the Open Offer of approximately HK\$64,000,000 is calculated based on 1,344,600,000 Offer Shares assuming to be issued on the completion of the Open Offer (assuming no outstanding and vested Options and Share Options would be exercised on or before the Record Date) at the Subscription Price of HK\$0.05 per Offer Share and after deduction of estimated related expenses of approximately HK\$3,230,000.
- 3 The number of Shares used for the calculation of the unaudited consolidated net tangible liabilities per Share attributable to owners of the Company as at 30 June 2013 is 933,750,000, being the number of Shares in issue as at 30 June 2013.
- 4 The unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company immediately after completion of the Open Offer is calculated based on 2,278,350,000 Shares which comprise 933,750,000 Shares in issue as at 30 June 2013 and 1,344,600,000 Offer Shares assuming to be issued on the completion of the Open Offer (assuming no outstanding and vested Options and Share Options would be exercised on or before the Record Date) as if the Open Offer had been completed on 30 June 2013.

- 5 On 2 September 2013, the Company completed the Placing and the net proceeds from the Placing amounted to approximately HK\$31,700,000. For details of the Placing, please refer to the Company's announcements dated 22 August 2013, 23 August 2013 and 2 September 2013.

Assuming the Placing and the Open Offer had been completed on 30 June 2013, the unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company immediately after completion of the Placing and the Open Offer is HK3.8 cents, calculated based on 2,465,100,000 Shares which comprise 933,750,000 Shares in issue as at 30 June 2013, 186,750,000 Shares issued on the completion of the Placing and 1,344,600,000 Offer Shares assuming to be issued on the completion of the Open Offer (assuming no outstanding and vested Options and Share Options would be exercised on or before the Record Date).

- 6 Except for the Placing and the Open Offer, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2013.

**REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE
GROUP**

The following is the text of a report received from the reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group for the purpose of incorporation in this prospectus.



22/F CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

To the Directors of Perception Digital Holdings Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Perception Digital Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2013, and related notes as set out on pages 34 to 36 of the prospectus (the "Prospectus") issued by the Company dated 3 January 2014 (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described on pages 34 to 36 of the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed open offer of shares of the Company on the Group's financial position as at 30 June 2013 as if the transaction had taken place at 30 June 2013. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's unaudited condensed consolidated interim financial statements for the period ended 30 June 2013, on which an interim report has been published.

Directors' responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information, in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the proposed open offer of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong

3 January 2014

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately upon completion of the Open Offer (assuming no further issue of Shares from the Latest Practicable Date up to completion of the Open Offer) was and will be as follows:

As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>200,000,000.00</u>

<i>Issued and fully paid:</i>		<i>HK\$</i>
<u>1,120,500,000</u>	Shares in issue as at the Latest Practicable Date	<u>112,050,000.00</u>

Immediately after completion of the Capital Reduction and Open Offer

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	Shares	<u>200,000,000.00</u>

<i>Issued and fully paid:</i>		<i>HK\$</i>
<u>1,344,600,000</u>	Offer Shares to be issued pursuant to the Open Offer	<u>13,446,000.00</u>
<u>2,465,100,000</u>	Shares in issue immediately following the Open Offer	<u>24,651,000.00</u>

All of the Offer Shares to be issued will rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and capital, and with all the Shares in issue as at the date of allotment and issue of the Offer Shares. The Offer Shares to be issued will be listed on the Stock Exchange.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Offer Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were (i) outstanding Share Options conferring rights on the holders thereof to subscribe for 1,853,469 new Shares which are vested and exercisable at HK\$0.646 per Share (subject to adjustment, if any) during an exercise period from 26 March 2012 to 25 March 2014; (ii) outstanding Options conferring rights on the holders thereof to subscribe for up to 67,472,775 new Shares, of which 16,800,450 Options are vested and exercisable at HK\$0.351 per Share (subject to adjustment, if any) during an exercise period from 11 November 2011 to 10 August 2016 and 50,672,325 Options are yet to be vested and exercisable pursuant to the terms of the Option Agreement; and (iii) outstanding Warrants conferring rights on the holders thereof to subscribe in cash in aggregate up to HK\$16,807,500 for 73,076,087 new Shares at a subscription price of HK\$0.23 (subject to adjustment, if any). Save for the outstanding Share Options, Options and Warrants as mentioned above, as at the Latest Practicable Date, the Company had no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares and rights over Shares.

3. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests of the Directors and chief executives in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, were as follows:

Long position:

Name of Director	Note	Capacity/Nature of interest	Number of Shares interested	Percentage of the Company's issued share capital
Mr. Mung, Wai Ming	(a)	Interest of controlled corporation	143,971,300	12.84%
Mr. Lee Rabi		Beneficial owner	270,000	0.02%

Note:

- (a) Keen Platinum is interested in 143,971,300 Shares. Keen Platinum is wholly-owned by Mr. Mung, Wai Ming, an executive Director, and hence he is deemed to be interested in all the Shares that Keen Platinum is interested in.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any beneficial or deemed interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules.

4. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons, other than a Director or chief executive of the Company, had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly interested in ten per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long Position:

Name of person/corporation	Notes	Capacity/ Nature of Interest	Number of Shares interested	Percentage of the Company's issued share capital
Mr. Choi Chiu Fai, Stanley and Ms. Cheung Fung Kuen, Maggie	(a)	Interest in controlled corporation and family interest	616,161,802	54.99%
Grand Rich Limited	(a)	Interest in controlled corporation	616,161,802	54.99%
Master Gold Limited	(a)	Interest in controlled corporation	616,161,802	54.99%
Head & Shoulders Securities Limited	(a)	Beneficial Owner	616,161,802	54.99%
Ms. Loh	(b)	Founder of discretionary trust	592,089,421	52.84%
		Beneficial Owner	<u>10,377,400</u>	<u>0.93%</u>
			602,466,821	53.77%
Sea Progress Limited ("Sea Progress")	(b)	Trustee	592,089,421	52.84%
Masteray	(b)	Interest in controlled corporation	414,454,722	36.99%
		Beneficial Owner	<u>177,643,699</u>	<u>15.85%</u>
			592,089,421	52.84%

APPENDIX III
GENERAL INFORMATION

Name of person/corporation	Notes	Capacity/ Nature of Interest	Number of Shares interested	Percentage of the Company's issued share capital
Swanland	(b)	Beneficial Owner	414,454,722	36.99%
Dr. Jack Lau	(b)	Family Interest	602,466,821	53.77%
The University of Hong Kong	(c)	Interest in controlled corporation	70,482,433	6.29%
		Beneficial Owner	<u>70,000,000</u>	<u>6.25%</u>
			140,482,433	12.54%
Centennial College	(c)	Beneficial Owner	70,482,433	6.29%
Capital Fame	(d)	Beneficial Owner	337,076,086	30.08%
Mr. Chan Yuen Ming ("Mr. Chan")	(d)	Interest in controlled corporation	337,076,086	30.08%
Keen Platinum	(e)	Beneficial Owner	143,971,300	12.84%
Mr. Mung, Wai Ming	(e)	Interest in controlled corporation	143,971,300	12.84%
Mr. Ng Pui Keung		Beneficial Owner	246,000,000	21.95%
Central Huijin Investment Ltd	(f)	Interest in controlled corporation	200,000,000	8.10%
China Galaxy Financial Holdings Company Limited	(f)	Interest in controlled corporation	200,000,000	8.10%
China Galaxy Securities Co. Ltd.	(f)	Interest in controlled corporation	200,000,000	8.10%
China Galaxy International Financial Holdings Ltd.	(f)	Interest in controlled corporation	200,000,000	8.10%
China Galaxy International Securities (Hong Kong) Co., Limited	(f)	Beneficial Owner	200,000,000	8.10%

Notes:

- (a) Mr. Choi Siu Fai Stanley and Ms. Cheung Fung Kuen, Maggie (being spouses) each beneficially owns 50% equity interest in Grand Rich Limited, which in turn beneficially owns 100% equity interest in Master Gold Limited, which in turn beneficially owns 100% equity interest in Head & Shoulders Securities Limited. Therefore, Grand Rich Limited, Master Gold Limited, Mr. Choi Siu Fai Stanley and Ms. Cheung Fung Kuen, Maggie are deemed to be interested in the 616,161,802 shares to be held by Head & Shoulders Securities Limited assuming the Open Offer is completed.
- (b) 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, 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 592,089,421 Shares immediately after the Completion. 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.
- (c) The University of Hong Kong, a substantial shareholder of the Company, is the beneficial owner of 70,000,000 Shares and is interested in 70,482,433 Shares, through Centennial College, which is wholly-owned by it.
- (d) Capital Fame, a company incorporated in the BVI with limited liability which is wholly-owned by Mr. Chan, hence Mr. Chan is deemed to be interested in all the 337,076,086 Shares that Capital Fame is interested in.
- (e) Keen Platinum is interested in 143,971,300 Shares. Keen Platinum is wholly-owned by Mr. Mung, Wai Ming, an executive Director, and hence he is deemed to be interested in all the Shares that Keen Platinum is interested in.
- (f) Central Huijin Investment Limited beneficially owns 78.57% equity interest in China Galaxy Financial Holdings Company Limited, which in turn beneficially owns 69.18% equity interest in China Galaxy Securities Co. Ltd, which in turn beneficially owns 100% equity interest in China Galaxy International Financial Holdings Ltd, which in turn beneficially owns 100% equity interest in China Galaxy International Securities (HK) Co., Limited. Therefore, Central Huijin Investment Limited, China Galaxy Financial Holdings Company Limited, China Galaxy Securities Co. Ltd and China Galaxy International Financial Holdings Ltd are deemed to be interested in the 200,000,000 Shares to be held by China Galaxy International Securities (HK) Co., Limited assuming the Open Offer is completed.

Save as disclosed above, as at the Latest Practicable Date, none of the Director is a director or employee of the companies who are the substantial shareholders of the Company.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2012 (being the date up to which the latest published audited accounts of the Group were made up), (i) acquired or disposed of by; or (ii) lease to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.

6. DIRECTORS' SERVICE CONTRACTS

The service contracts between the Company and each of the Directors are for a term of three years, subject to renewal by agreement for one or more consecutive terms of three years. Their terms of office are also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company.

No Director has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

7. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and his respective associates was interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's businesses pursuant to Rule 8.10 of the Listing Rules.

8. LITIGATION

Set out below are the various material lawsuits in relation to the Group as disclosed in the Company's announcement dated 22 February 2013 and 20 November 2013:

- (i) On 22 October 2012, PD Trading (Hong Kong) Limited, a wholly-owned subsidiary of the Company, issued a writ of summons in the court of first instance of the high court of Hong Kong (the "Court") against Teleepoch, a company whose business address is in Shenzhen, the PRC, claiming the sum of HK\$9,206,800.98 being the aggregate amount of 11 dishonoured cheques issued by Teleepoch and interest thereon. As Teleepoch is a foreign company, the plaintiff has applied to and obtained permission from the Court to serve the writ of summons on Teleepoch outside of the jurisdiction of Hong Kong. On 21 October 2013, the Court adjudged that Teleepoch should pay PD Trading (Hong Kong) Limited the sum of HK\$9,206,800.98.
- (ii) On 22 October 2012, PDL, a wholly-owned subsidiary of the Company, issued a writ of summons in the Court against Wang Chuan, a PRC resident, claiming the sum of US\$360,000 being outstanding loan principal due with interest accrued and owing by Wang Chuan to PDL under a loan agreement dated 1 March 2012 entered into between PDL and Wang Chuan. As Wang Chuan is a PRC resident, the plaintiff has applied to and obtained permission from the Court to serve the writ of summons on the Wang Chuan outside of the jurisdiction of Hong Kong. On 19 August 2013, the Court adjudged that Wang Chuan should pay PDL the sum of US\$360,000 or the equivalent Hong Kong dollars.

- (iii) On 26 November 2012, PDL, a wholly-owned subsidiary of the Company, issued a writ of summons in the Court against Monsoon Multimedia Inc. (“Monsoon”) as the first defendant claiming (i) the sum of US\$4,126,399 being the aggregate amounts due and owing by Monsoon to PDL under, inter alia, (aa) a running account between PDL and Monsoon resulted in various trading activities as to US\$81,457; (bb) a debt conversion agreement dated 1 June 2011 entered into between PDL and Monsoon, whereby Monsoon inter alia granted an option to PDL to convert debts owned by Monsoon to PDL into the common shares in Winfort Global Limited (“Winfort”), the parent company of Monsoon. Up to the date of writ of summons, PDL never exercised the option granted and Monsoon remained so indebted to PDL as to US\$1,014,209.32; (cc) a distribution agreement entered into between PDL and Monsoon dated 7 December 2010 whereby PDL agreed inter alia to develop and distribute for Monsoon an electronic device and related client software marketed under the name of “Vulkano” under which Monsoon owed PDL for an amount of US\$537,689.69; (dd) a (loan) agreement entered into and signed by PDL, Monsoon and Winfort, under which several loan advancement were made by PDL to Monsoon, resulting in a net sum of US\$1,287,528 which was overdue and payable by Monsoon to PDL; (ee) a master service agreement entered into by Monsoon and PDL on 13 October 2010, PDL inter alia provided some services to Monsoon and a total sum of US\$500,000 was overdue and payable by Monsoon to PDL; among the aforesaid transaction, PDL also claims from Monsoon an additional US\$705,515 being interest on the outstanding balances; and (ii) a declaration that PDL be entitled to the immediate release of the source code, the patents and other intellectual property from an escrow agent to PDL under a tri-party escrow service agreement dated 22 December 2011 entered into among PDL, Monsoon and Iron Mountain Intellectual Property Management Inc. pursuant to clause 7(c)(dd) under the loan agreement which states that if the debts owed by Monsoon to PDL are over US\$500,000, or if Monsoon fails to pay back the debts owed by Monsoon to PDL by 30 May 2012, then the source code, patents and other intellectual property put under the tri-party escrow service agreement shall be released to PDL unconditionally and free of charge, and that PDL shall own, and/or have the right to use, the source code, the said patents and other intellectual property freely or sell them to a bona fide buyer; and against Prabhat Jain as the second defendant, claiming the sum of US\$4,126,399 under a personal guarantee dated 7 December 2011 executed by Prabhat Jain in favour of PDL guaranteeing the full and punctual payment when due, any amount of debts owed by Monsoon to PDL. As the proceedings are still in the progress, the Company is not in a position to estimate when the court hearing will commence.

- (iv) On 20 November 2013, a writ of summons in the High Court (the “Legal Action”) was served on two wholly-owned subsidiaries of the Company, namely, Perception Digital Limited and PD Trading (Hong Kong) Limited (collectively, the “Defendant Companies”). The Legal Action relates to a dispute between the Defendant Companies and a supplier of the Group (the “Claimant”), who now seeks to claim from the Defendant Companies, inter alia, an alleged sum of US\$3,723,670.23 (equivalent to HK\$29,044,628 based on an exchange rate of US\$1.00 = HK\$7.80) (the “Relevant Sum”). The Claimant alleged that the Relevant Sum relates to outstanding but unpaid invoices for certain goods supplied by the Claimant to the Defendant Companies. Upon obtaining the legal advice from our Hong Kong legal advisors, the Group intends to contest the Claimant’s allegations in the Legal Action. At this early stage of the Legal Action, the Company considers that it is impracticable to estimate the potential impact of the Legal Action on the Group.

As at the Latest Practicable Date, save as disclosed above, neither the Company nor any of its subsidiaries was engaged in any material litigation or claims and, so far as the Directors were aware, no material litigation or claims were pending or threatened by or against any companies of the Group.

9. EXPERT AND CONSENT

The following are the qualifications of the expert who has given opinion and advice, contained in this prospectus:

Name	Qualifications
Ernst & Young	Certified Public Accountants

As at the Latest Practicable Date, Ernst & Young has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion therein of its report and reference to its name in the form and context in which it appear in this prospectus.

As at the Latest Practicable Date, Ernst & Young (i) was not interested, either directly or indirectly, in any assets which have been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2012, being the date to which the latest published audited consolidated financial statements of the Group were made up; and (ii) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

10. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$3.2 million, which are payable by the Company.

11. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date:

- (i) the Underwriting Agreement;
- (ii) the placing agreement dated 22 August 2013 and the deed of variation dated 23 August 2013 entered into between the Company and China Galaxy (as the placing agent) in relation to the placing of 186,750,000 new Shares at the placing price of HK\$0.176 per Share;
- (iii) the underwriting agreement dated 30 January 2013, entered into by the Company, Capital Fame and Keen Platinum (as the underwriters) and Swanland, Masteray and Ms. Loh (as the undertaking shareholders) in relation to the open offer on the basis of 1 offer share for every 2 shares held at the subscription price of HK\$0.1286 per offer share;
- (iv) a loan agreement dated 18 October 2012 and entered into between the Company and Capital Fame in relation to a loan facility of HK\$50,000,000 granted by Capital Fame to the Company for a term of five years at an interest rate of 6% per annum; and
- (v) a warrant subscription agreement dated 18 October 2012 and entered into between the Company and Capital Fame in relation with the issue by the Company and the subscription by Capital Fame of warrants at the aggregate consideration of HK\$1.00 which carry the rights to subscribe for warrant shares at the exercise price up to HK\$16,807,500 within a period of 5 years.

12. CORPORATE INFORMATION OF THE COMPANY AND PARTIES INVOLVED IN THE OPEN OFFER

Board of Directors	Executive Director	Address:
	Mr. Mung Wai Ming	5/F, Foo Sang Building, 67 Wing Lok Street, Hong Kong
	Ms. Liu Yee Nee	Room 2107, Sun Hing Building, 607 Nathan Road, Mong Kok, Kowloon, Hong Kong
	Mr. Lee Rabi	Flat B, 5/F, Block 21, Baguio Villa, 555 Victoria Road, Hong Kong
	Independent non-executive Directors	
	Mr. William Keith Jacobsen	Flat 23B, Tower 10, Larvotto, 8 Ap Lei Chau Praya Road, Hong Kong
	Ms. Zhou Jing	No. 1301, 13/F, Hong Yuan Building, No. 64 Dongfengxi Road, Kunming, Yunnan, China
	Mr. Ng Wai Hung	Flat B, 32/F, King Yu Court, No. 43 and 45 Tin Hau Temple Road, Hong Kong
		Address:
Authorised representatives	Mr. Mung Wai Ming	5/F, Foo Sang Building, 67 Wing Lok Street, Hong Kong
	Mr. Rabi Lee	Flat B, 5/F, Block 21, Baguio Villa, 555 Victoria Road, Hong Kong

Registered office	Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands
Head office and principal place of business in Hong Kong	Unit 311, 3rd Floor Core Building 1 No.1 Science Park East Avenue Hong Kong Science Park Pak Shek Kok New Territories, Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road, George Town Grand Cayman KY1-1110 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Tricor Investor Services Limited 26th Floor, Tesbury Centre 28 Queen's Road East Wanchai, Hong Kong
Auditors	Ernst & Young Certified Public Accountants 22nd Floor, CITIC Tower 1 Tim Mei Avenue Central, Hong Kong
Principal bankers	Hang Seng Bank Limited 83 Des Voeux Road, Central, Hong Kong Shanghai Commercial Bank Limited 405 Castle Peak Road, Tsuen Wan New Territories, Hong Kong
Website	www.perceptiondigital.com
Legal advisers to the Company in relation to the Open Offer	As to Hong Kong law: Robertsons 57/F., The Center 99 Queen's Road Central Hong Kong

13. BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT**Executive Director**

Mr. Mung Wai Ming, aged 49, has more than 20 years' experience in property and car park management. He has accumulated extensive concept in the operation management from his operation in different industries. Mr. Mung worked in various industries including property trading, financing, wedding witnesses, club management, car park operation and foot massage etc. Mr. Mung is the chairman of Eli Car Park Ltd. and director of Pure Massage Group Ltd. He devotes himself in charity and was elected as the member of the sixth standing committee of the Overseas Congress of Yue Xiu District of Guangzhou, member of the forth standing committee of the Overseas Congress of Qingxin District of Qingyuan, member of Friends of Qing Yuan Association (H.K.) Ltd. and founding chairman of International Industry and Commerce Experts Association Ltd. Currently, Mr. Mung is the executive director of Sustainable Forest Holdings Limited (stock code: 723).

Ms. Liu Yee Nee, aged 47, holds a master degree of Business Administration from the Hong Kong University of Science and Technology and also a master degree of Laws in Chinese Business Law from the Open University of Hong Kong. She is a member of the Chartered Institute of Management Accountancy, the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, The Institute of Chartered Secretaries & Administrators and the Hong Kong Institute of Company Secretaries. She has over 25 years experience in the field of accounting and management. She was an executive director of Talent Property Group Limited (Stock code: 760) and resigned on September 2011. She was a non-executive director of King Stone Energy Group Limited (Stock code: 663) and resigned on July 2010.

Mr. Rabi Lee, aged 40, is the Finance Director and Company Secretary of the Company. He joined the Group as the Senior Manager of the Corporate Finance Department in December 2008. He graduated from City University of Hong Kong with a Bachelor's degree in Accountancy in November 1997 and has been a member of the HKICPA since January 2001. Prior to joining the Group, he worked in Ernst & Young from September 1997 to November 2008 where he acquired auditing experience in various industries, including property development, marine transportation and manufacturing. He was a Senior Manager when he left Ernst & Young in November 2008.

Independent non-executive Directors

Mr. Ng Wai Hung, aged 49, was appointed as an independent non-executive Director on 7 January 2013. He is a practising solicitor and a partner in Iu, Lai & Li, a Hong Kong firm of solicitors. Mr. Ng practises in the areas of securities law, corporate law and commercial law in Hong Kong. Mr. Ng is also an independent non-executive director of six companies listed on The Stock Exchange of Hong Kong Limited, namely Fortune Sun (China) Holdings Limited (stock code: 352), Gome Electrical Appliances Holding Limited (stock code: 493), Hycomm Wireless Limited (stock code: 499), Trigiant Group Limited (stock code: 1300), Sustainable Forest Holdings Limited (stock code: 723) and Tech Pro Technology Development Limited (stock code: 3823). Mr. Ng was also an independent non-executive director of Yun Sky Chemical (International) Holdings Limited (currently known as King Stone Energy Group Limited, stock code: 663), KTP Holdings Limited (currently known as Ares Asia Limited, stock code: 645) and Tomorrow International Holdings Limited (currently known as Talent Property Group Limited (stock code: 760) and resigned in February 2010, February 2011 and January 2012, respectively.

Mr. William Keith Jacobsen, aged 47, was appointed as an independent non-executive Director on 7 January 2013. He is the managing director of a licensed corporation to advise on corporate finance matters. Mr. Jacobsen has more than 20 years of experience in corporate finance and business development. Mr. Jacobsen is an executive director of Auto Italia Holdings Limited (formerly known as Wo Kee Hong (Holdings) Limited, stock code: 720) and is also an independent non-executive director of Hycomm Wireless Limited (stock code: 499), abc Multiactive Limited (stock code: 8131), China Financial Leasing Group Limited (stock code: 2312) and Sustainable Forest Holdings Limited (stock code: 723). He was also an independent non-executive director of King Stone Energy Group Limited (stock code: 663) for the period from 26 September 2008 to 30 September 2011.

Ms. Zhou Jing, aged 38, graduated from a university in the PRC with a bachelor's degree majoring in accounting. Ms. Zhou was awarded with Certified Public Accountant qualification in the PRC in 2002. Ms. Zhou worked in an imports and exports company responsible for foreign trade accounting. Ms. Zhou has also joined an accountant firm as a shareholder and carries out her duties in auditing and asset valuation. Ms. Zhou has more than 10 years' experience in international trade accounting and corporate financial management. Ms. Zhou was an executive director of Yun Sky Chemical (International) Holdings Limited (currently known as King Stone Energy Group Limited) (stock code: 663), and resigned in February 2010. Currently, Ms. Zhou is the chairman and an executive director of Sustainable Forest Holdings Limited (stock code: 723).

14. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of Sections 44A and 44B of the Companies Ordinance.

15. MISCELLANEOUS

- (i) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the head office and principal place of business of the Company is situated at Unit 311, 3rd Floor, Core Building 1, No.1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.
- (ii) The principal share registrar and transfer office of the Company in the Cayman Islands is Royal Bank of Canada Trust Company (Cayman) Limited at 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (iii) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited, having its office situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (iv) Mr. Rabi Lee, the company secretary of the Company, is a member of the Hong Kong Institute of Certified Public Accountants.
- (v) As at the Latest Practicable, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (vi) The English text of the Prospectors Documents shall prevail over their respective Chinese texts in the case of inconsistency.

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent referred to in the paragraph headed "Expert and consent" in this appendix have been delivered to the Registrar of Companies of Hong Kong pursuant to Section 342C of the Companies Ordinance.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company at Unit 311, 3rd Floor, Core Building 1, No.1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong during normal business hours on any weekday other than public holidays, up to and including Friday, 17 January 2014:

- (i) the memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for the years ended 31 December 2011 and 2012 and the interim report of the Company for the six months ended 30 June 2013;
- (iii) the unaudited pro forma statement of consolidated net tangible assets of the Group, the text of which is set out in Appendix II to this prospectus;
- (iv) the assurance report from Ernst & Young on the compilation of the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this prospectus;
- (v) the written consent referred to in the paragraph headed “Expert and consent” to this appendix;
- (vi) the material contracts referred to in the paragraph headed “Material Contracts” to this appendix;
- (vii) the Circular; and
- (viii) this prospectus.