

*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus (the “**Prospectus**”) dated 4 December 2009 issued by Perception Digital Holdings Limited (the “**Company**”).*

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## **PERCEPTION DIGITAL HOLDINGS LIMITED**

**幻音數碼控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 08248)**

### **EXERCISE OF OVER-ALLOTMENT OPTION STABILIZING ACTIONS AND END OF STABILIZING PERIOD**

#### **EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option referred to in the Prospectus was fully exercised by the Lead Manager (for itself and on behalf of the Placing Underwriters) on 8 January 2010 in respect of an aggregate of 22,500,000 Offer Shares, representing 15% of the Offer Shares initially available under the Share Offer.

The 22,500,000 Shares will be issued and allotted by the Company at HK\$0.72 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the final Offer Price in connection with the Share Offer.

## STABILIZING ACTIONS AND END OF STABILIZING PERIOD

The Company also announces that the stabilizing period in connection with the Share Offer ended on 8 January 2010, being the 30th day after the last day for lodging applications under the Public Offer. The stabilizing actions undertaken by the Lead Manager during the stabilizing period were:

- (i) over-allocations of an aggregate of 22,500,000 Shares in the Placing, representing 15% of the Offer Shares initially available under the Share Offer before any exercise of the Over-allotment Option;
- (ii) the borrowing of an aggregate of 22,500,000 Shares by the Lead Manager pursuant to the Stock Borrowing Agreement to cover over-allocations in the Placing; and
- (iii) the exercise in full of the Over-allotment Option in respect of the 22,500,000 Over-allotment Shares at the Offer Price of HK\$0.72 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the final Offer Price per Share under the Share Offer, by the Lead Manager (for itself and on behalf of the Placing Underwriters) on 8 January 2010 to cover the above over-allocations.

## EXERCISE OF OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option referred to in the Prospectus was fully exercised by the Lead Manager (for itself and on behalf of the Placing Underwriters) on 8 January 2010 in respect of an aggregate of 22,500,000 Offer Shares (the “**Over-allotment Shares**”), representing 15% of the Offer Shares initially available under the Share Offer (assuming no exercise of the Over-allotment Option), for the sole purpose of covering over-allocations in the Placing.

The 22,500,000 Shares will be issued and allotted by the Company at HK\$0.72 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the final Offer Price in connection with the Share Offer.

Pursuant to the Stock Borrowing Agreement, the Lead Manager has borrowed 22,500,000 Shares from Swanland to cover over-allocations in the Placing. The Over-allotment Shares will be used to facilitate the return in full to Swanland of the 22,500,000 Shares so borrowed.

Approval of the listing of and permission to deal in the Over-allotment Shares on GEM has already been granted by the Listing Division. Listing of and dealing in such Over-allotment Shares are expected to commence on the GEM at 9:30 am on 12 January 2010.

The shareholding structures of the Company immediately before and immediately after the issue and allotment of the Over-allotment Shares are as follows:

Name of Shareholder	Immediately before the issue and allotment of the Over-allotment Shares		Immediately after the issue and allotment of the Over-allotment Shares and return of all borrowed Shares to Swanland	
	Number of Shares	Approximate percentage of shareholding	Number of Shares	Approximate percentage of shareholding
Swanland	125,592,340 <sup>(1)</sup>	20.9%	125,592,340	20.2%
Masteray	53,828,697	9.0%	53,828,697	8.6%
Excel Direct	11,903,210	2.0%	11,903,210	1.9%
Rochdale	2,976,655	0.5%	2,976,655	0.5%
UGH	140,482,433	23.4%	140,482,433	22.6%
Glory Wood Limited <sup>(2)</sup>	16,666,540	2.8%	16,666,540	2.7%
Dr. Wu Po Him, Philip, an independent non-executive Director	1,599,142	0.3%	1,599,142	0.2%
Public	246,950,983	41.1%	269,450,983	43.3%
Total	<u>600,000,000</u>	<u>100.0%</u>	<u>622,500,000</u>	<u>100.0%</u>

Notes:

1. This includes the 22,500,000 Shares borrowed by the Lead Manager pursuant to the Stock Borrowing Agreement.
2. Glory Wood Limited, a company incorporated in BVI, is wholly-owned by Mr. Chui Shing Yip, Jeff, an executive Director.

The additional net proceeds to be received by the Company upon the issue and allotment of the 22,500,000 Over-allotment Shares are estimated to be approximately HK\$15.7 million. Please refer to the paragraph headed “Use of proceeds” under the section headed “Future plans and prospects” in the Prospectus for details of the intended use of the additional net proceeds. With the Over-allotment Option exercised in full, the total net proceeds from the Share Offer to be received by the Company are estimated to be approximately HK\$104.2 million.

Immediately after the issue and allotment of the Over-allotment Shares, approximately 43.3% of the issued share capital of the Company will be held in public hands, and the Company continues to observe the public float requirements under Rule 11.23(7) of the GEM Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 17.29 of the GEM Listing Rules.

## STABILIZING ACTIONS AND END OF STABILIZING PERIOD

The Company makes this announcement pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) and announces that the stabilizing period in connection with the Share Offer ended on 8 January 2010, being the 30th day after the last day for lodging applications under the Public Offer.

The stabilizing actions undertaken by the Lead Manager during the stabilizing period were:

- (i) over-allocations of an aggregate of 22,500,000 Shares in the Placing, representing 15% of the Offer Shares initially available under the Share Offer before any exercise of the Over-allotment Option;
- (ii) the borrowing of an aggregate of 22,500,000 Shares by the Lead Manager pursuant to the Stock Borrowing Agreement to cover over-allocations in the Placing; and
- (iii) the exercise in full of the Over-allotment Option in respect of the 22,500,000 Over-allotment Shares at the Offer Price of HK\$0.72 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the final Offer Price per Share under the Share Offer, by the Lead Manager (for itself and on behalf of the Placing Underwriters) on 8 January 2010 to cover the above over-allocations.

By order of the Board  
**Perception Digital Holdings Limited**  
**Dr. Jack Lau**  
*Chairman and Executive Director*

Hong Kong, 8 January 2010

*As at the date of this announcement, the executive Directors are Dr. Lau Jack, Prof. Tsui Chi Ying and Mr. Chui Shing Yip, Jeff; the non-executive Director is Prof. Cheng Shu Kwan, Roger; and the independent non-executive Directors are Prof. Chu Ching Wu, Paul, Dr. Lam Lee Kiu-yue, Alice Piera, Dr. Wu Po Him, Philip and Mr. Shu Wa Tung, Laurence.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement is available for viewing on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for seven days from the date of its posting and on the website of the Company at [www.perceptiondigital.com](http://www.perceptiondigital.com).*