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## **PERCEPTION DIGITAL HOLDINGS LIMITED**

### **幻音數碼控股有限公司**

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

**(Stock Code: 1822)**

### **CONNECTED TRANSACTION PLACING OF NEW SHARES WITH GRANT OF OPTIONS UNDER SPECIFIC MANDATE**

**Placing Agent**

**Sheng Yuan Securities Limited**

#### **THE PLACING**

On 26 March 2015 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company agreed to place through the Placing Agent for cash, on a best effort basis, an aggregate of up to 1,500,000,000 Placing Shares to the Placee at the Placing Price of HK\$0.26 per Placing Share. On the Placing Completion Date, in respect of the issue of the Placing Shares to the Placee, the Company shall grant the Options at an aggregate nominal consideration of HK\$1 payable by the Placee to subscribe for additional Shares on the terms set out in the Option Conditions. Each Option will carry the right to subscribe for the relevant Option Shares at the initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments). Assuming that the entire number of 1,500,000,000 Placing Shares are issued, the Company will grant to the Placee the Options which will carry the right to subscribe for an aggregate of 800,000,000 Option Shares issuable upon exercise of the Options.

On 26 March 2015, the Placee, being a connected person of the Company, has agreed to subscribe for 1,500,000,000 Placing Shares for cash at the Placing Price, subject only to the Placing Agreement becoming unconditional in accordance with the terms thereof. Based on the 1,500,000,000 Placing Shares to be subscribed for by the Placee on the Placing Completion Date, the Company shall, at an aggregate nominal consideration of HK\$1 payable by the Placee, grant to the Placee the Options which will carry a right to subscribe for 800,000,000 Option Shares at the initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments) upon exercise of such Options by the Placee.

The maximum number of 1,500,000,000 Placing Shares represent (i) approximately 36.75% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 26.88% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares; and (iii) approximately 23.51% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares and the Option Shares (assuming that the Options are exercised in full). The maximum number of 800,000,000 Option Shares represent (i) approximately 19.60% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 14.33% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares; and (iii) approximately 12.54% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares and the Option Shares (assuming that the Options are exercised in full).

All Placing Shares and Option Shares will be issued and allotted under the Specific Mandate.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Placing Shares and the Option Shares. The Options will not be listed on the Stock Exchange or any other stock exchange.

Assuming that all of the 1,500,000,000 Placing Shares are placed under the Connected Placing, the gross proceeds and estimated net proceeds from the placing of the Placing Shares are approximately HK\$390 million and approximately HK\$385 million respectively. The Board intends to apply such net proceeds obtained from the Placing for financing our existing business which is primarily involved in the provision for car rental services; the trading of electronic components/materials; and the research, design, development and sale of digital signal processing (“DSP”) based consumer electronic devices/platforms, including embedded firmware, and the provision of solutions/services to customers for their DSP-based consumer electronic devices/platforms. Approximately 65% of the net proceeds will be used to expand our car rental business; approximately 25% of the net proceeds will be used to further expand our trading of electronic components/materials business; and the remaining 10% of the net proceeds will be used for the Group’s general working capital. As at the date of this announcement, no specific investment has been identified by the Group.

Assuming full exercise of the Options carrying rights to subscribe for 800,000,000 Option Shares at the Initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments), gross proceeds from the exercise of the Options are approximately HK\$208 million. The Board intends to apply the gross proceeds from the exercise of the Options for general working capital of the Group.

#### **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, the Placee is the controlling shareholder of the Company which is interested in approximately 55.41% of the Shares in issue. As such, the Placee is a connected person of the Company under the Listing Rules.

The Placing Shares and the Option Shares will be issued under the Specific Mandate to be obtained from the Shareholders and therefore, the Placing Agreement and the transactions contemplated thereunder are subject to the Shareholders' approval. In addition, the Placing constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the announcement, circular and independent shareholders' approval requirements under the Listing Rules. An EGM will be convened and held for the purpose of considering, and if thought fit, approve the Placing Agreement and the transactions contemplated thereunder, and the Specific Mandate. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, none of the Shareholders, other than the Placee and its associates, has any material interest in the Placing Agreement and the transactions contemplated thereunder. Accordingly, only the Placee and its associates are required to abstain from voting at the EGM in respect of the resolution(s) approving the Placing Agreement and the transactions contemplated thereunder, and the Specific Mandate.

An Independent Board Committee will be established to advise the Independent Shareholders on the Connected Placing. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this respect.

## **GENERAL**

A circular containing, among other things, (i) further details of the Placing; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Connected Placing; (iii) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Connected Placing; and (iv) a notice of EGM, is expected to be despatched to the Shareholders on or before 15 April 2015 in accordance with the Listing Rules.

## **THE PLACING**

On 26 March 2015 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company agreed to place through the Placing Agent for cash, on a best effort basis, an aggregate of up to 1,500,000,000 Placing Shares to the Placee at the Placing Price of HK\$0.26 per Placing Share. On the Placing Completion Date, in respect of the issue of the Placing Shares to the Placee, the Company shall grant the Options at an aggregate nominal consideration of HK\$1 payable by the Placee to subscribe for additional Shares on the terms set out in the Option Conditions. Each Option will carry the right to subscribe for the relevant Option Shares at the initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments). Assuming that the entire number of 1,500,000,000 Placing Shares are issued, the Company will grant to the Placee the Options which will carry the right to subscribe for an aggregate of 800,000,000 Option Shares issuable upon exercise of the Options.

## **THE PLACING AGREEMENT**

### **Date**

26 March 2015

### **Issuer**

The Company

### **Placing Agent**

Sheng Yuan Securities Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its associates and their respective ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

Pursuant to the Placing Agreement, the Placing Agent has agreed to act as the placing agent for the conditional placing of an aggregate of up to 1,500,000,000 Placing Shares at the Placing Price of HK\$0.26 per Placing Share on a best effort basis. The Placing Agent shall receive a placing commission of 0.8% of the aggregate amount equal to the Placing Price multiplied by the actual number of the Placing Shares being placed. The Directors (excluding the independent non-executive Directors whose opinion will be provided after reviewing the letter of advice from an independent financial adviser to be appointed) are of the view that such placing commission is fair and reasonable.

### **The Placee**

On 26 March 2015, the Placee, being a connected person of the Company, has agreed to subscribe for 1,500,000,000 Placing Shares, subject only to the Placing Agreement becoming unconditional in accordance with the terms thereof. Based on the 1,500,000,000 Placing Shares to be subscribed for by the Placee on the Placing Completion Date, the Company shall, at an aggregate nominal consideration of HK\$1 payable by the Placee, grant to the Placee the Options which will carry a right to subscribe for 800,000,000 Option Shares at the initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments) upon exercise of such Options by the Placee.

The Placee, together with any parties acting in concert with it (if any), are not, and shall not immediately after completion of the Connected Placing be required to make a mandatory general offer under the Takeovers Code. Following the issue of the Placing Shares, the Company's minimum public float of the Shares as required under the Listing Rules can be maintained.

Please refer to the paragraph headed "Principal Terms of the Options" of this announcement below for detailed terms of the Option.

## **Number of the Placing Shares and the Option Shares**

The maximum number of 1,500,000,000 Placing Shares represents (i) approximately 36.75% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 26.88% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares; and (iii) approximately 23.51% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares and the Option Shares (assuming that the Options are exercised in full). The maximum number of 800,000,000 Option Shares represents (i) approximately 19.60% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 14.33% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares; and (iii) approximately 12.54% of the issued share capital of the Company as enlarged by the issue and allotment of the Placing Shares and the Option Shares (assuming that the Options are exercised in full).

All Placing Shares and Option Shares will be issued and allotted under the Specific Mandate.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Placing Shares and the Option Shares. The Options will not be listed on the Stock Exchange or any other stock exchange.

## **Placing Price**

The Placing Price of HK\$0.26 per Placing Share represents:

- (i) a discount of approximately 14.75% to the closing price of HK\$0.305 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 16.93% to the average closing price of approximately HK\$0.313 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 17.33% to the average closing price of approximately HK\$0.3145 per Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day; and
- (iv) a premium of approximately 251.35% over the audited consolidated net asset value as at 31 December 2014 per Share attributable to the Shareholders of approximately HK\$0.074.

The net Placing Price, after taking into account the placing commission and the estimated expenses of the Placing, is approximately HK\$0.257 per Placing Share.

The Placing Price of HK\$0.26 per Placing Share was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the market condition and the prevailing market price of the Shares. The Directors (excluding the independent non-executive Directors whose opinion will be provided after reviewing the letter of advice from an independent financial adviser to be appointed) consider the Placing Price to be fair and reasonable.

### **Ranking of the Placing Shares**

The Placing Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of issue and allotment of the Placing Shares.

### **Conditions of the Placing Agreement**

Completion of the Placing Agreement is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting to the Company the listing of, and permission to deal in, the Placing Shares and the Option Shares;
- (ii) the Stock Exchange approving the Options in accordance with Chapter 15 of the Listing Rules;
- (iii) all necessary consents, approvals, authorisations and/or waivers having been obtained by the Company to effect the execution, completion and performance of the obligations and other terms of the Placing Agreement (including but not limited to the issue and allotment of the Placing Shares to the Placee), if applicable; and
- (iv) the approval of the Independent Shareholders having been obtained in respect of (a) the issue and allotment of the Placing Shares; and (b) the grant of the Options, in accordance with the Listing Rules.

In the event of the conditions referred to above not having been fulfilled before 25 September 2015 (or such later date as may be agreed between the Company and the Placing Agent), all rights, obligations and liabilities of the parties under the Placing Agreement shall cease and determine and none of the parties to the Placing Agreement shall have any claim against any other in relation to the Connected Placing.

### **Completion**

Completion of the Placing Agreement shall take place on the Placing Completion Date.

## Termination

If at any time prior to 9:30 a.m. on the Placing Completion Date,

(A) there develops, occurs or comes into force:

- (i) any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions; or
- (ii) the imposition of any moratorium, suspension or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (iii) any change in conditions of local, national or international securities markets occurs; or
- (iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group; or
- (v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere; or
- (vi) any litigation or claim being instigated against any member of the Group which would have a material adverse effect on the Group; or
- (vii) any suspension in the trading of Shares on the Stock Exchange for a continuous period of five Business Days; or

(B) any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Placing Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

(C) there is any change in the financial or business or trading position of the Company,

the Placing Agent may after consultation with the Company terminate the Placing Agreement by notice in writing to the Company without any liability to the Company.

**Since completion of the Placing Agreement is subject to fulfilment of the conditions as set out in the Placing Agreement and the Placing Agent is entitled to terminate the Placing Agreement under the above circumstances, the Placing may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## **Principal terms of the Options**

### ***Option premium and the Exercise Price***

The Options shall be granted to the Placee at a nominal consideration of HK\$1 payable by the Placee. The Options will carry the right to subscribe for up to 800,000,000 Option Shares at the initial Exercise Price of HK\$0.26 (subject to adjustments).

The initial Exercise Price is equivalent to the Placing Price. A comparison between the Exercise Price and the prevailing market prices of the Shares and the audited consolidated net asset value per Share attributable to the Shareholders has been set forth in the paragraph headed “Placing Price” of this announcement.

The Initial Exercise Price was arrived at after arm’s length negotiations between the Company and the Placing Agent with reference to the market condition and the prevailing market price of the Shares. The Directors (excluding the independent non-executive Directors whose opinion will be provided after reviewing the letter of advice from an independent financial adviser to be appointed) consider the Exercise Price to be fair and reasonable.

### ***Adjustment to the Exercise Price***

The Exercise Price shall from time to time be adjusted upon occurrence of certain events including, but not limited to, the following:

- (i) consolidation, subdivision or reclassification of the Shares;
- (ii) capitalisation of profits or reserves;
- (iii) capital distribution;
- (iv) rights issues of Shares or options over Shares (including an issue of grant by the Company of options, warrants or other rights to subscribe for and purchase Shares);
- (v) rights issues of other securities;
- (vi) issues of Shares or other securities at less than market price; and



(vii) the Company determines that an adjustment should be made to the Exercise Price as a result of one or more events or circumstances not referred to in any other provisions of the anti-dilution adjustment provision which in either case have or would have an effect on the position of the holders of the Options as a class compared with the position of the holders of all the securities of the Company, taken as a class.

### ***Number of the Option Shares***

Options carrying a right to subscribe for up to a total of 800,000,000 Option Shares.

### ***Initial issue date (the “Initial Issue Date”)***

Same date as the Placing Completion Date.

### ***Exercise period***

The Option is exercisable by the Placee commencing on the Initial Issue Date and ending on the last day on the twenty-fourth (24th) month from the Initial Issue Date (both days inclusive). The Option shall be issued on the Initial Issue Date and vest immediately, subject to the Placing Agreement becoming unconditional.

The Option may be exercised, in whole or in part, by the holder of the Option at any time during the Exercise Period at the Exercise Price.

The unexercised part of the Options shall lapse and have no force or effect on the day immediately after the expiry of the Exercise Period.

### ***Transferability of the Options***

No Option is transferable. Holders of the Options shall not cause or permit anything to be done, to dispose of, pledge, mortgage, charge, create (or cause to be created) any lien, option, right of pre-emption or other encumbrance or third party right upon, or otherwise deal with, the Options at any time.

### ***Restriction on exercise of the Options***

The Company shall not accept any notice for the exercise of the Options and shall not issue any Option Shares thereof if: (a) immediately following such issue, holders of the Options, their respective associates and the parties acting in concert with any of them shall be required to make a mandatory general offer under the Takeovers Code; and (b) following such issue, the Company's minimum public float of the Shares as required under the Listing Rules cannot be maintained.

### ***Ranking of the Option Shares***

The Option Shares to be issued upon exercise of the Option will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of issue and allotment of the Option Shares.

## EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structures of the Company as at the date of this announcement and immediately after (i) completion of Placing Agreement (assuming that none of the Options are exercised); and (ii) completion of the Placing Agreement and the exercise in full of the Options are set out below:

Name of Shareholder	As of the date of this announcement		Immediately after completion of the Placing Agreement (assuming that none of the Options are exercised)		Immediately after completion of the Placing Agreement and the exercise in full of the Options	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
	Sino Merchant ( <i>Note 1</i> )	2,261,473,889	55.41	3,761,473,889	67.39	4,561,473,889
Public shareholders	<u>1,819,901,111</u>	<u>44.59</u>	<u>1,819,901,111</u>	<u>32.61</u>	<u>1,819,901,111</u>	<u>28.52</u>
<b>Total</b>	<b><u>4,081,375,000</u></b>	<b><u>100.00</u></b>	<b><u>5,581,375,000</u></b>	<b><u>100.00</u></b>	<b><u>6,381,375,000</u></b>	<b><u>100.00</u></b>

1. Sino Merchant is a company incorporated in the British Virgin Islands and its issued share capital is owned as to 60% by Ms. Deng Shufen (“Ms. Deng”), the Chairman and executive Director of the Company, 20% by Ms. Liu Jiangyuan and 20% by Mr. Gui Bin respectively. Ms. Deng is deemed, or taken to be, interested in all the Shares in which Sino Merchant is interested by virtue of Part XV of the SFO. As Mr. Dai Yumin (an executive Director) is the spouse of Ms. Deng, he is deemed, or taken to be, interested in the Shares which Ms. Deng is deemed, or taken to be interested in, for the purposes of Part XV of the SFO.

## REASONS FOR THE PLACING AND USE OF PROCEEDS

Assuming that all of the 1,500,000,000 Placing Shares are placed under the Placing, the gross proceeds and estimated net proceeds from the placing of the Placing Shares are approximately HK\$390 million and approximately HK\$385 million respectively. The Board intends to apply such net proceeds obtained from the Placing for financing our existing business which is primarily involved in the provision for car rental services; the trading of electronic components/materials; and the research, design, development and sale of DSP based consumer electronic devices/platforms, including embedded firmware, and the provision of solutions/services to customers for their DSP-based consumer electronic devices/platforms. Approximately 65% of the net proceeds will be used to expand our car rental business; approximately 25% of the net proceeds will be used to further expand our trading of electronic components/materials business; and the remaining 10% of the net proceeds will be used for the Group’s general working capital. As at the date of this announcement, no specific investment has been identified by the Group.

Assuming full exercise of the Options carrying rights to subscribe for 800,000,000 Option Shares at the Initial Exercise Price of HK\$0.26 per Option Share (subject to adjustments), the gross proceeds from the exercise of the Options are approximately HK\$208 million. The Board intends to apply the gross proceeds from the exercise of the Options to the general working capital of the Group.

As the Connected Placing will bring in additional capital for the Company to fund and implement its business expansion plan, this allows a better chance for the Company to grasp any business opportunities with high growth potential as and when they arise and create enduring value and sustainable business development for the Shareholders.

The Directors (excluding the independent non-executive Directors whose opinion will be provided after reviewing the letter of advice from an independent financial adviser to be appointed) are of the view that the Connected Placing is in the interests of the Company and the Shareholders as a whole and the terms of the Placing Agreement are fair and reasonable so far as the Independent Shareholders are concerned.

#### **FUND RAISING ACTIVITIES OF THE COMPANY IN THE LAST TWELVE MONTHS**

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised</b>	<b>Intended use of the net proceeds</b>	<b>Actual use of the net proceeds as at the date of this announcement</b>
9 July 2014	Subscription of Shares completed on 9 July 2014 (details of which are set out in the circular of the Company dated 16 June 2014)	Approximately HK\$98.5 million	To improve the working capital of the Group and explore new business opportunities for the Group	The net proceeds has been fully utilized as intended
15 September 2014	Placing of new shares completed on 20 November 2014 (details of which are set out in the circular of the Company dated 22 October 2014)	Approximately HK\$172.5 million	(i) approximately HK\$90 million to invest in car rental business; (ii) approximately HK\$80 million to expand the Group's trading business; and (iii) remaining portion and to the extent that the net proceeds available are not applied for acquisition and/or investment purposes, to be used for the Group's trading business and/or general working capital	The net proceeds has been fully utilized as intended

Save as disclosed above, as at the date of this announcement, the Company has not conducted any equity fund raising exercises in the past twelve months immediately preceding the date of this announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, the Placee is the controlling shareholder of the Company which is interested in approximately 55.41% of the Shares in issue. As such, the Placee is a connected person of the Company under the Listing Rules.

The Placing Shares and the Option Shares will be issued under the Specific Mandate to be obtained from the Shareholders and therefore, the Placing Agreement and the transactions contemplated thereunder are subject to the Shareholders' approval. In addition, the Connected Placing constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the announcement, circular and independent shareholders' approval requirements under the Listing Rules. An EGM will be convened and held for the purpose of considering, and if thought fit, approve the Placing Agreement and the transactions contemplated thereunder, and the Specific Mandate. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, none of the Shareholders, other than the Placee and its associates, have any material interest in the Placing Agreement and the transactions contemplated thereunder. Accordingly, only the Placee and its associates are required to abstain from voting at the EGM in respect of the resolution(s) approving the Placing Agreement and the transactions contemplated thereunder, and the Specific Mandate.

An Independent Board Committee will be established to advise the Independent Shareholders on the Connected Placing. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this respect.

## **GENERAL**

A circular containing, among other things, (i) further details of the Placing; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Connected Placing; (iii) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Connected Placing; and (iv) a notice of EGM, is expected to be despatched to the Shareholders on or before 15 April 2015 in accordance with the Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following meanings:

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday or public holidays) on which banks are generally open for business in Hong Kong
“Company”	Perception Digital Holdings Limited (stock code: 1822), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Connected Placing”	the placing of 1,500,000,000 Placing Shares and further grant of Options carrying a right to subscribe for up to 800,000,000 Option Shares to the Placee
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, approve the Placing Agreement and the transactions contemplated thereunder, and the Specific Mandate
“Exercise Price”	HK\$0.26 per Option Share (subject to adjustments)
“Exercise Period”	from the Initial Issue Date and ending on the last day on the twenty-fourth (24th) month from the Initial Issue Date (both days inclusive)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board to be established to advise the Independent Shareholders on the Connected Placing

“Independent Shareholder(s)”	Shareholders other than those who are required to abstain from voting under the Listing Rules or other applicable laws and regulations
“Initial Issue Date”	the Placing Completion Date
“Last Trading Day”	26 March 2015, being the last trading day for the Shares prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	options carrying rights to subscribe for up to a total of 800,000,000 Options Shares to be granted by the Company to the Placee upon Placing Completion Date subject to Option Conditions
“Option Condition(s)”	the terms and conditions to each Option
“Option Share(s)”	an aggregate of up to 800,000,000 new Shares to be allotted and issued by the Company following the exercise of the Options
“Placee”	Sino Merchant
“Placing”	the placing of the Placing Shares and further grant of the Options pursuant to the terms and conditions of the Placing Agreement
“Placing Agent”	Sheng Yuan Securities Limited, a licensed corporation to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 26 March 2015 entered into between the Company and the Placing Agent
“Placing Completion Date”	the fifth Business Day after the date upon which the last condition precedent to the Placing Agreement has been fulfilled or such other date as may be agreed between the Company and the Placing Agent
“Placing Price”	HK\$0.26 per Placing Share
“Placing Share(s)”	an aggregate of up to 1,500,000,000 new Shares to be allotted and issued by the Company pursuant to the Placing Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share(s)”	ordinary share(s) of a par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Sino Merchant”	Sino Merchant Car Rental Limited (華商租車有限公司), formerly known as Nat-Ace Pharmaceutical Ltd., a company incorporated in the BVI on 2 January 2008 with limited liability and held by Ms. Deng Shufen, Ms. Liu Jiangyuan and Mr. Gui Bin as to 60%, 20% and 20% respectively and a controlling Shareholder as at the date of this announcement
“Specific Mandate”	the specific mandate to be sought at the EGM for the Directors to issue and allot the Placing Shares and the Option Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission
“%”	per cent.

By order of the Board  
**Perception Digital Holdings Limited**  
**Deng Shufen**  
*Chairman and Executive Director*

Hong Kong, 26 March 2015

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:*

Ms Deng Shufen (*Chairman*)

Mr Dai Yumin

Ms Liu Jiangyuan

Mr Gui Bin

*Non-executive Director:*

Mr Wang Yongbin

*Independent non-executive Directors:*

Mr Fang Jun

Mr Zhao Xianming

Mr Wong Yiu Kit, Ernest