

**IN THE MATTER OF THE COMPANIES ACT 1981
(the “Act”)**

AND

IN THE MATTER OF

**CHINA 3D DIGITAL ENTERTAINMENT LIMITED
(the “Company”)**

NOTICE OF REDUCTION OF ISSUED SHARE CAPITAL

NOTICE IS HEREBY GIVEN pursuant to Section 46(2)(a) of the Act that subject to the satisfaction of certain conditions, every five (5) issued and unissued shares of HK\$0.01 each in the share capital of the Company shall be consolidated into one (1) consolidated share of HK\$0.05 (the “**Consolidated Share**”) (the “**Consolidation**”) and immediately following the Consolidation, the issued share capital of the Company shall be reduced from **an amount of between HK\$7,900,000 and HK\$8,000,000** by **an amount of between HK\$6,300,000 and HK\$6,400,000** to **an amount of between HK\$1,500,000 and HK\$1,600,000** by cancelling (i) the fractional Consolidated Share(s) in the issued share capital of the Company arising from the Consolidation in order to round down the total number of issued Consolidated Shares following the Consolidation to a whole number, and (ii) paid-up capital to the extent of HK\$0.04 on each issued Consolidated Share (the “**Capital Reduction**”). It is intended that conditional upon the satisfaction of certain conditions, the Capital Reduction will take effect on or about 18 June, 2015.

Conyers Dill & Pearman
Attorneys to the Company

Dated this 22nd day of May, 2015.