



[For Immediate Release]

***VISION GRANDE SIGNS MOU WITH
LEADING CIGARETTE PACKAGES PRINTER
IN YUNNAN PROVINCE***

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***EXPANDS INTO THE KUNMING MARKET
ACHIEVES LEADERSHIP POSITION IN THE PRC***

(HONG KONG, July 11, 2004) – Cigarette package printer and laminated paper manufacturer – **Vision Grande Group Holdings Limited** (“Vision Grande” or the “Group”) (stock code: 2300) today announced that its indirect wholly-owned subsidiary, Mega Vision Enterprises Limited (“Mega Vision”) has signed a Memorandum of Understanding (“MOU”) with Joy Benefit Limited (“Joy Benefit”) and Splendid China Limited (“Splendid China”) on July 9, 2004 to purchase 35% of the issued share capital of World Grand Holdings Limited (“World Grand”) and 35% loans owing or incurred by World Grand to its shareholders as at the date of the MOU. The signing of the MOU marks a major milestone for Vision Grande to become one of the market leaders in the PRC cigarette packages printing industry.

World Grand is an investment holding company and is the registered and 90% beneficial owner of Kunming World Grand Colour Printing Company Limited (“Kunming World Grand”), a sino-foreign equity joint venture (the “JV”) established in the PRC in 2002.

The total consideration shall be determined by reference to the price earning ratio of not less than five times based on the audited net profit after tax of Kunming World Grand in RMB for the year ended December 31, 2004. Mega Vision has paid HK\$10,000,000 in cash as deposit and part payment of the consideration to Joy Benefit and Splendid China upon signing the MOU.

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The JV, Kunming World Grand, is principally engaged in the printing of high quality cigarette packages in Kunming, Yunnan province, the PRC. Currently, Kunming World Grand is one of the customers who places orders for laminated paper from the Group.

Mr. Li Wei Bo, Chairman of Vision Grande, said, “We are very encouraged that through this co-operation with World Grand, we have successfully built up a strategic relationship with Kunming World Grand, a cigarette packages printing company with strong foundations and huge market potential. Kunming World Grand’s excellent management and expertise has enabled it to become one of the leading cigarette packages printers in Yunnan province. We are confident that the Group will benefit from the synergies created through the strategic relationship in terms of sharing of resources such as technology know-how, printing machinery and consolidation of marketing and sales force, as well as economy of scales.”

Aiming at becoming one of the leading cigarette packages printers and laminated paper manufacturers in the PRC, Vision Grande has always been dedicated to providing high quality cigarette packages and laminated papers to its customers. To expand its sales networks and market shares, the Group always identifies large cigarette packages printers as its primary target customers of laminated papers. The management firmly believes that the strategic co-operation will ensure stable orders for laminated papers from Kunming World Grand and provide the Group with the opportunity to explore further the potentials of its laminated papers and cigarette packages printing businesses in Yunnan Province, the largest cigarette manufacturing base in the PRC.

Mr. Li concluded, “We have every confidence that Kunming World Grand’s extensive experience in the field of cigarette packages printing will help to speed up our business growth and greatly enhance our competitiveness in the market, and in turn bring us better and faster returns. We believe our operations will benefit from our striving to offer high quality product and service mix to our customers. With huge demand from this potentially lucrative market, we are optimistic in achieving better results with higher profitability in the future.”

About Vision Grande

Vision Grande is a fast growing printer of cigarette packaging and a manufacturer of laminated papers in the PRC. Possessing extensive expertise in the tobacco industry and unique printing technologies, the Group has been able to secure strategic relationships with large-scale cigarette manufacturers in the PRC. Furthermore, riding on the synergies brought about by the vertical integration of its production of laminated papers and cigarette packages, and the management's far-reaching development strategies, Vision Grande has managed to establish a leading position in the cigarette package market within just five years of operation. The Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited on March 26, 2004.

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