

Vision Grande Group Holdings Limited

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Vision Grande Group Holdings Limited AMB Packaging Pte Limited

(incorporated in the Cayman Islands with limited liability)

(incorporated in Singapore with limited liability)

(stock code: 2300)

JOINT ANNOUNCEMENT

PROPOSED SUBSCRIPTION OF NEW SHARES BY AND GRANT OF THE OPTION TO THE SUBSCRIBER AND APPLICATION FOR THE WHITEWASH WAIVER BY THE SUBSCRIBER OF POSSIBLE OBLIGATIONS TO MAKE A GENERAL OFFER FOR THE ISSUED SHARES IN VISION GRANDE GROUP HOLDINGS LIMITED

Financial adviser to Vision Grande Group Holdings Limited



THE SUBSCRIPTION AGREEMENT

The Subscription

On 9 December 2004, the Company and the Subscriber entered into the Subscription Agreement pursuant to which the Company agreed to allot and issue and the Subscriber agreed to subscribe in cash for a total of 80,000,000 new Shares, subject to adjustment due to changes (if any) in the capital structure of the Company, at the Subscription Price of HK\$2.50 per Share, subject to adjustment due to changes (if any) in the capital structure of the Company. The Subscription Price represents a discount of approximately 7.41% to the closing price of HK\$2.7 per Share as quoted on the Stock Exchange on 8 December 2004, being the last trading day prior to the suspension of trading of the Shares pending the release of this announcement and a discount of approximately 6.98% to the average closing price of HK\$2.6875 per Share as quoted on the Stock Exchange over the last 10 full trading days up to and including 8 December 2004.

The Subscription Shares represent 20% of the existing issued share capital of the Company and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares to the Subscriber. Completion of the Subscription is conditional upon the fulfillment of certain conditions precedent as set out in the paragraph headed "Conditions of the Subscription" in the section headed "The Subscription Agreement" below.

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Grant of the Option

Subject to Subscription Completion and for nominal consideration, the Company has also granted the Subscriber the Option, which is exercisable in whole or in part in minimum lots of 24,000,000 Shares at any time during the period between the date of Subscription Completion up to 12:00 noon (Hong Kong time) on 31 December 2005. The Option Price is the same as the Subscription Price.

The maximum number of Option Shares which may be issued, being 96,000,000 Option Shares (subject to adjustment due to changes (if any) in the capital structure of the Company), represents approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Option Shares.

REASONS FOR THE SUBSCRIPTION AND GRANT OF THE OPTION AND USE OF PROCEEDS

The Subscriber is part of the Amcor Group, which is one of the world's largest packaging companies. The Directors believe that the Subscription and the grant of the Option are in the interests of the Company and the Shareholders as a whole as they will introduce a strong international strategic partner to the Group with expertise which complements that of the Group and will further strengthen the capital base of the Group.

The net proceeds from the Subscription will be approximately HK\$190 million. The Directors intend to apply HK\$173.75 million to finance the World Grand Acquisition, the details of which have been set out in the announcement of the Company dated 8 November 2004 and the circular of the Company dated 30 November 2004. The balance of the net proceeds will be used as general working capital of the Group. The net proceeds from the exercise in full of the Option will be approximately HK\$237 million and will be used as general working capital of the Group.

TAKEOVERS CODE IMPLICATION FOR THE SUBSCRIBER

Assuming the exercise in full of the Option, the Subscriber will hold approximately 30.56% of the enlarged issued share capital of the Company. Under the Takeovers Code, the Subscriber and any party acting in concert with it would be obliged to make a mandatory general offer to acquire all the Shares other than those already owned by the Subscriber and any party acting in concert with it, unless the Whitewash Waiver is obtained.

The Subscriber will make an application to the Executive for the Whitewash Waiver in respect of the issue of the Option Shares upon the exercise of the Option, subject to the approval of the Independent Shareholders on a vote by way of poll. The Executive may or may not grant the Whitewash Waiver. Completion of the Subscription Agreement is conditional upon, among other things, the granting of the Whitewash Waiver by the Executive. If the Whitewash Waiver is not granted by the Executive, the Subscription Agreement will lapse.

LISTING RULES IMPLICATIONS AND MINIMUM PUBLIC FLOAT IN THE SHARES

Immediately upon the Subscription Completion, the Subscriber will become a substantial Shareholder under the Listing Rules, holding approximately 16.67% of the entire issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. Immediately upon the exercise in full of the Option, the Subscriber will become a controlling Shareholder under the Listing Rules.

The Subscriber has undertaken to the Company not to dispose of, transfer, pledge, charge or create any security interest (or enter into any agreement in relation to any of the foregoing) in respect of any of the Subscription Shares or the Option Shares for a period of 12 months from the date of Subscription Completion or the date of completion of the issuance of the Option Shares upon the exercise of the Option, as the case may be.

Immediately upon Subscription Completion, less than 25% of the enlarged issued share capital of the Company will be in the hands of the public. Mr. Li has, as one of the conditions precedent to the Subscription Agreement, given an undertaking to the Stock Exchange to dispose of such number of Shares so as to ensure that the minimum public float will be maintained in accordance with the Listing Rules at all times after the date of Subscription Completion.

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Further, upon the exercise of the Option, there may be less than 25% of the enlarged issued share capital of the Company in the hands of the public. The Company and Mr. Li have undertaken to the Stock Exchange that the Company will not: (i) allot and issue the Subscription Shares on the date of Subscription Completion to the Subscriber; or (ii) allot and issue any Option Shares at any time during the period between the date of the Subscription Completion up to 12:00 noon on 31 December 2005 (i.e. the expiry date of the Option) to the Subscriber, if the issue of the Subscription Shares and/or the Option Shares to the Subscriber will result in the percentage of the Shares in public hands being less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Option Shares (as the case may be). Mr. Li has undertaken that he will promptly do everything necessary, including the sale or placing of sufficient number of his Shares, to ensure that not less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares is in public hands at all times. The Subscriber has undertaken to the Stock Exchange that the Subscriber will not exercise the Option if the public float of the Shares shall fall below 25% upon a full or partial exercise of the Option. Mr. Li has further undertaken as his personal undertaking to the Stock Exchange that, if the Subscriber gives notice to the Company of its intention to exercise the Option (in full or in part), he will promptly do everything necessary, including the sale or placing of a sufficient number of his Shares, to ensure that not less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and/or the Option Shares (as the case may be) is in public hands at all times.

GENERAL

Shareholders should be aware of and take note that the Subscription Agreement is conditional upon satisfaction of certain conditions, including the conditions set out above, and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

An independent board committee of the Company has been established, comprising the independent non-executive Directors Mr. Ng Kwai Sang, Mr. Ng Pui Cheung, Joseph and Mr. Chung Kwok Mo, John, to consider and make recommendation to the Independent Shareholders as regards voting on the Whitewash Waiver. Goldbond Capital (Asia) Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company with regard to the Whitewash Waiver.

A circular containing, among other things, further details of the Subscription Agreement and the Whitewash Waiver, a letter of advice from the independent financial adviser, the recommendation from the independent board committee of the Company, together with the notice of EGM will be despatched to the Shareholders in due course.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was suspended from 9:30 a.m. on 9 December 2004 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 13 December 2004.

THE SUBSCRIPTION AGREEMENT

Date: 9 December 2004
Parties: The Company; and
AMB Packaging Pte Limited as the Subscriber

The Subscriber is an indirect wholly owned subsidiary of Amcor Limited. Amcor Limited is a company listed on the Australian Stock Exchange Limited and New Zealand Exchange Limited.

The Subscriber and its beneficial owner, Amcor Limited, are independent third parties not connected with any of the Directors, chief executive or substantial shareholder of the Company and its subsidiaries or any of their respective associates.

The Subscription

Pursuant to the Subscription Agreement, the Company agreed to allot and issue and the Subscriber agreed to subscribe in cash for a total of 80,000,000 new Shares, subject to adjustment due to changes (if any) in the capital structure of the Company, at the Subscription Price of HK\$2.50 per Subscription Share, subject to adjustment due to changes (if any) in the capital structure of the Company.

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The Subscription Shares represent 20% of the existing issued share capital of the Company and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares to the Subscriber.

Grant of the Option

Subject to completion of the Subscription and for nominal consideration, the Company has also granted the Subscriber the Option, which is exercisable in whole or in part in minimum lots of 24,000,000 Shares on each occasion, at any time during the period between the date of the Subscription Completion up to 12:00 noon (Hong Kong time) on 31 December 2005.

The maximum number of Option Shares which may be issued, being 96,000,000 Option Shares (subject to adjustments due to changes (if any) in the capital structure of the Company), represents: (i) 24% of the existing issued share capital of the Company; (ii) 20% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares; and (iii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Option Shares.

The Subscription Price and the Option Price

The Subscription Price and the Option Price were determined after arm's length negotiations between the Company and the Subscriber, with reference to the market price of the Shares.

The Subscription Price and the Option Price represent:

- (i) a discount of approximately 7.41% to the closing price of HK\$2.7 per Share as quoted on the Stock Exchange on 8 December 2004, being the last trading day prior to the suspension of trading of the Shares from 9:30 a.m. on 9 December 2004 at the request of the Company pending release of this announcement; and
- (ii) a discount of approximately 6.98% to the average closing price of HK\$2.6875 per Share as quoted on the Stock Exchange over the last 10 full trading days up to and including 8 December 2004.

The Subscriber shall, on or before 30 December 2004, pay to the Company an amount in the sum of HK\$81,875,000 as deposit for the aggregate Subscription Price, which shall be used only for the purpose of funding the World Grand Acquisition (please refer to the Company's announcement and circular dated 8 November 2004 and 30 November 2004 respectively for further details). In the event Subscription Completion takes place, the deposit shall be credited into full towards the aggregate Subscription Price. In the event Subscription Completion does not take place on or before 31 March 2005 (or such other date as the parties may agree in writing), the deposit shall be repaid to the Subscriber in full upon demand together with interest at the rate of 2.5% per annum (if the deposit is repaid in full on or before 31 March 2005) or at the default rate of 10% per annum (if the deposit is not repaid in full on or before 31 March 2005), calculated from the date of payment of the deposit.

Conditions of the Subscription

Completion of the Subscription Agreement is conditional upon, among others, the following conditions having been fulfilled (or waived by the Subscriber in writing) on or before 31 March 2005 or such later date as the Company and the Subscriber may agree in writing:

- (i) the Company's representations and warranties given in the Subscription Agreement remaining true and correct at the Subscription Date and the date of Subscription Completion;
- (ii) the allotment and issue of the Subscription Shares, the grant of the Option and the allotment and issue of the Option Shares having been duly approved by the Independent Shareholders in accordance with the Listing Rules;
- (iii) the Whitewash Waiver having been duly granted by the SFC in accordance with the Takeovers Code;
- (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares and the Option Shares; and
- (v) Mr. Li having delivered an undertaking to dispose of such number of Shares so as to ensure that the minimum public float of the Company's issued share capital as enlarged by the Subscription will be maintained in accordance with the Listing Rules.

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The above conditions are not capable of being waived, save for item (i) above which may be waived by the Subscriber. In the event that any of the conditions is not fulfilled (or waived) in full by 31 March 2005 (or such other date as may be agreed between the Company and the Subscriber in writing), the Subscription Agreement will be terminated without further action of the parties and no party shall have any obligations or liabilities under the Subscription Agreement other than for breach which as occurred prior to the date of termination or for any breach in connection with the deposit and confidentiality obligations which shall continue in effect.

If the Whitewash Waiver is not granted by the Executive, or if it is not approved by the Independent Shareholders at the EGM, the Subscription Agreement will lapse.

Completion

Completion of the Subscription shall take place on the second business day following the Subscription Date. At Subscription Completion, the Subscriber shall pay to the Company the balance of the aggregate Subscription Price in the sum of HK\$118,125,000.

Ranking of the Subscription Shares and the Option Shares

The Subscription Shares and the Option Shares, when issued, will rank *pari passu* in all respects among themselves and with the then issued Shares, including the right to receive all future dividends and distributions which may be declared, made or paid by the Company on or after the respective dates of allotment and issue of the Subscription Shares and the Option Shares.

Mandate

The Subscription Shares and the Option Shares will be issued pursuant to the specific mandate to be sought at the EGM.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Subscription Shares and the Option Shares.

REASONS FOR THE SUBSCRIPTION AND GRANT OF THE OPTION AND USE OF PROCEEDS

As mentioned in the paragraph headed "Information on the Subscriber" below, the Subscriber is part of the Amcor Group, which is one of the world's largest packaging companies. Accordingly, the Directors believe that the introduction of the Subscriber as a controlling Shareholder will enhance future cooperation between the Group and the Subscriber, resulting in common synergies for both the Company and the Subscriber. Given the advanced technology owned by the Amcor Group, it is expected that the technological knowhow of the Group will also be further improved. The Directors believe that the Subscription and the grant of the Option are in the interests of the Company and the Shareholders as a whole as they will introduce a strong international strategic partner to the Group with expertise which complements that of the Group and will further strengthen the capital base of the Group.

The net proceeds from the Subscription will be approximately HK\$190 million. The Directors intend to apply HK\$173.75 million to finance the World Grand Acquisition, the details of which have been set out in the announcement of the Company dated 8 November 2004 and the circular of the Company dated 30 November 2004. The balance of the net proceeds will be used as general working capital of the Group. The net proceeds from the exercise in full of the Option will be approximately HK\$237 million and will be used as general working capital of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates (i) the existing shareholding structure of the Company; (ii) the shareholding structure of the Company immediately following the Subscription Completion but before exercise of the Option; (iii) the shareholding structure of the Company immediately following the Subscription Completion and restoration of the public float but before exercise of the Option; and (iv) the shareholding structure of the Company

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immediately following the Subscription Completion and after the exercise of the Option in full, without taking into account of any Shares which will be disposed of by Mr. Li to the public so as to preserve the minimum public float of the Shares:

Shareholder	As at the date of this announcement		Immediately following the Subscription Completion but before exercise of the Option		Immediately following the Subscription Completion and restoration of the public float but before exercise of the Option		Immediately following the Subscription Completion, restoration of the public float after Subscription Completion and after the exercise of the Option in full	
	No. of Shares ('000)	Approx. %	No. of Shares ('000)	Approx. %	No. of Shares ('000)	Approx. %	No. of Shares ('000)	Approx. %
Mr. Li	294,464	73.62	294,464	61.35	276,728	57.65	276,728	48.04
The Subscriber	–	–	80,000	16.67	80,000	16.67	176,000	30.56
Mr. Lee Cheuk Yin, Dannis	3,272	0.82	3,272	0.68	3,272	0.68	3,272	0.57
Public Shareholders	102,264	25.56	102,264	21.30	120,000	25.00	120,000	20.83
Total:	<u>400,000</u>	<u>100.00</u>	<u>480,000</u>	<u>100.00</u>	<u>480,000</u>	<u>100.00</u>	<u>576,000</u>	<u>100.00</u>

As at the date of this announcement, there are no outstanding options, warrants, derivatives or securities convertible into Shares.

TAKEOVERS CODE IMPLICATIONS FOR THE SUBSCRIBER

Assuming the exercise in full of the Option, the Subscriber will hold approximately 30.56% of the enlarged issued share capital of the Company. Under the Takeovers Code, the Subscriber and any party acting in concert with it would be obliged to make a mandatory general offer to acquire all the Shares other than those already owned by the Subscriber and any party acting in concert with it, unless the Whitewash Waiver is obtained.

The Subscriber will make an application to the Executive for the Whitewash Waiver in respect of the issue of the Option Shares upon exercise of the Option, subject to the approval of the Independent Shareholders on a vote by poll. The Executive may or may not grant the Whitewash Waiver. Completion of the Subscription Agreement is conditional upon, among other things, the granting of the Whitewash Waiver by the Executive. If the Whitewash Waiver is not granted by the Executive, the Subscription Agreement will lapse.

LISTING RULES IMPLICATIONS

Immediately upon the Subscription Completion, the Subscriber will become a substantial Shareholder under the Listing Rules, holding approximately 16.67% of the entire issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. Immediately upon the exercise in full of the Option, the Subscriber will become a controlling Shareholder under the Listing Rules.

The Subscriber has undertaken to the Company not to dispose of, transfer, pledge, charge or create any security interest (or enter into any agreement in relation to any of the foregoing) in respect of any of the Subscription Shares or the Option Shares for a period of 12 months from the date of Subscription Completion or the date of completion of the issuance of the Option Shares upon exercise of the Option, as the case may be.

MINIMUM PUBLIC FLOAT IN THE SHARES

Immediately upon Subscription Completion, less than 25% of the enlarged issued share capital of the Company will be in the hands of the public. Mr. Li has, as one of the conditions precedent to the Subscription Agreement, given an undertaking to dispose of such number of Shares to the Stock Exchange so as to ensure that the minimum public float will be maintained in accordance with the Listing Rules at all times after the date of Subscription Completion.

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Further, upon the exercise of the Option, there may be less than 25% of the enlarged issued share capital of the Company in the hands of the public. The Company and Mr. Li have undertaken to the Stock Exchange that the Company will not: (i) allot and issue the Subscription Shares on the date of Subscription Completion to the Subscriber; or (ii) allot and issue any Option Shares at any time during the period between the date of the Subscription Completion up to 12:00 noon on 31 December 2005 (i.e. the expiry date of the Option) to the Subscriber, if the issue of the Subscription Shares and/or the Option Shares will result in the percentage of the Shares in public hands being less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Option Shares (as the case may be). Mr. Li has undertaken that he will promptly do everything necessary, including the sale or placing of sufficient number of his Shares, to ensure that not less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares is in public hands at all times. The Subscriber has undertaken to the Stock Exchange that the Subscriber will not exercise the Option if the public float of the Shares shall fall below 25% upon a full or partial exercise of the Option. Mr. Li has further undertaken as his personal undertaking to the Stock Exchange that, if the Subscriber gives notice to the Company of its intention to exercise the Option (in full or in part), he will promptly do everything necessary, including the sale or placing of a sufficient number of his Shares, to ensure that not less than 25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and/or the Option Shares (as the case may be) is in public hands at all times.

INFORMATION ON THE SUBSCRIBER

The Subscriber is a company incorporated in Singapore and is principally engaged in the manufacture and sale of tobacco packaging and corrugated fibre containers. The Subscriber and its beneficial owner, Amcor Limited, are not connected persons (as defined under the Listing Rules) of the Company. The Subscriber is part of the Amcor Group of Companies (“**Amcor Group**”). The shares of Amcor Limited are listed on the Australian Stock Exchange Limited and the New Zealand Exchange Limited, and, in the form of American Depository Shares (“**ADSS**”) evidenced by American Depository Receipts (“**ADRS**”) on the NASDAQ National Market System in the United States (each ADS representing four shares of Amcor Limited). The Amcor Group is one of the world’s largest packaging companies. Amcor Group is headquartered in Melbourne, Australia and has over 240 plants in 40 countries with annual sales of approximately AUD11 billion and employs around 30,000 people globally. Amcor Group offers a broad range of plastic, fibre, metal and glass packaging products and is the largest producer of PET containers and one of the largest producers of tobacco packaging in the world. In recent years, Amcor has become a globally recognised brand. It is known for the high quality of its packaging products and is a market leader in innovation.

Neither the Subscriber nor any party acting in concert with it has any relations with the vendors of the World Grand Acquisition or World Grand Holdings Limited or their respective associates.

Neither the Subscriber nor any party acting in concert with it was interested in any Shares, options, warrants, derivatives or securities convertible into Shares as at the date of this announcement, nor had they dealt in the Shares during the six months immediately prior to the date of the Subscription Agreement.

INFORMATION ON THE GROUP

The Group is principally engaged in the printing of high quality cigarette packages and the manufacturing of laminated papers in the PRC.

Other than its initial public offering, the Company has not conducted any fund raising exercise since the Shares have been listed on the main board of the Stock Exchange on 26 March 2004.

The Company’s management

Pursuant to the Subscription Agreement, a nominee from the Subscriber will be appointed to the Board upon Subscription Completion. If the Option is exercised, two further nominees will be appointed by the Subscriber to the Board upon completion of the first exercise of the Option.

FUTURE INTENTIONS OF THE SUBSCRIBER

There is no intention of the Board or the Subscriber to change the principal activities of the Group after the Subscription Completion and the completion of the exercise of the Option.

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MAINTAINING THE LISTING STATUS OF THE COMPANY

It is the intention of the Board and the Subscriber that the Company will remain listed on the Stock Exchange. **The Stock Exchange has stated that it will closely monitor dealings in the Shares on the Stock Exchange. If the Stock Exchange believes that (i) a false market exists or may exist in trading of the Shares; or (ii) there are too few Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares.**

The Stock Exchange will also closely monitor all future acquisitions or disposals of assets by the Company. The Stock Exchange has indicated that it has the discretion to require the Company to issue a circular to Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company. The Stock Exchange also has the power to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant.

GENERAL

Shareholders should be aware of and take note that the Subscription Agreement is conditional upon satisfaction of certain conditions, including the conditions set out above, and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Under the Takeovers Code, the Whitewash Waiver is subject to, among other things, approval by the Independent Shareholders at the EGM. An independent board committee of the Company has been established, comprising the independent non-executive Directors Mr. Ng Kwai Sang, Mr. Ng Pui Cheung, Joseph and Mr. Chung Kwok Mo, John, to consider and make recommendation to the Independent Shareholders as regards voting on the Whitewash Waiver. Goldbond Capital (Asia) Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company with regard to the Whitewash Waiver.

A circular containing, among other things, further details of the Subscription Agreement and the Whitewash Waiver, a letter of advice from the independent financial adviser, the recommendation from the independent board committee of the Company, together with the notice of the EGM will be despatched to the Shareholders in due course.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was suspended from 9:30 a.m. on 9 December 2004 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 13 December 2004.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Vision Grande Group 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
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the specific mandate to issue the Subscription Shares and the Option Shares, and the Whitewash Waiver
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

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“Group”	the Company and all its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders other than the Subscriber and the Directors and their respective concert parties or associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li”	Mr. Li Wei Bo, an executive Director, the chairman of the Group and the controlling Shareholder
“Option”	the option granted to the Subscriber by the Company to subscribe for the Option Shares at the Option Price
“Option Shares”	1.2 Shares for each Subscription Share acquired by the Subscriber, subject to adjustment due to changes (if any) in the capital structure of the Company
“Option Price”	HK\$2.50 per Share, subject to adjustment due to changes (if any) in the capital structure of the Company
“PRC”	People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	AMB Packaging Pte Limited, a company incorporated in Singapore with limited liability
“Subscription”	the subscription of the Subscription Shares by the Subscriber upon and subject to the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the subscription and option agreement dated 9 December 2004 entered into between the Company and the Subscriber in relation to the Subscription and the grant of the Option
“Subscription Completion”	the second business day after the Subscription Date or such later date as the Subscriber and the Company may agree in writing
“Subscription Date”	the third business day following satisfaction or written waiver of the conditions precedent set out in the Subscription Agreement
“Subscription Price”	HK\$2.50 per Subscription Share, subject to adjustment due to changes (if any) in the capital structure of the Company
“Subscription Shares”	80,000,000 new Shares to be issued by the Company to the Subscriber pursuant to the Subscription Agreement, subject to adjustment due to changes (if any) in the capital structure of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Whitewash Waiver”	the waiver from the Executive pursuant to Note 1 of the Notes on Dispensations from Rule 26 of the Takeovers Code

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“World Grand Acquisition”

the acquisition by the Group of 35% equity interests in and shareholders’ loan due by World Grand Holdings Limited pursuant to a sale and purchase agreement dated 8 November 2004 and entered into between Joy Benefit Limited and Splendid China Limited as vendors and Mega Vision Enterprises Limited as purchaser

“AUD”

Australian dollar(s), the lawful currency of Australia

“HK\$”

Hong Kong dollar(s), the lawful currency of Hong Kong

“%”

per cent.

By the order of the board of Directors
Vision Grande Group Holdings Limited
Li Wei Bo
Chairman

By the order of the board of directors
AMB Packaging Pte Limited
Chan Chew Keak, Billy
Director

Hong Kong, 10 December 2004

As at the date of this announcement, the executive Directors are (i) Mr. Li Wei Bo, (ii) Mr. Lee Cheuk Yin, Dannis, (iii) Mr. Cheung Chun Ming, and (iv) Ms. Zhu Wei Li, the non-executive Director is Mr. Sik Siu Kwan, and the independent non-executive Directors are (i) Mr. Ng Kwai Sang, (ii) Mr. Ng Pui Cheung, Joseph, and (iii) Mr. Chung Kwok Mo, John.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Subscriber) and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than information relating to the Subscriber) have been arrived at after due and careful consideration and there are no other facts (other than information relating to the Subscriber) not contained in this announcement the omission of which would make any statement in this announcement (other than information relating to the Subscriber) misleading.

The directors of the Subscriber jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts (other than those relating to the Group) not contained in this announcement the omission of which would make any statement (other than that relating to the Group) in this announcement misleading.

Please also refer to the published version of this announcement in The Standard dated 13 December 2004.