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VISION GRANDE GROUP HOLDINGS LIMITED

偉誠集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(stock code: 2300)

RESULTS OF THE EGM AND PLACING OF EXISTING SHARES TO MAINTAIN PUBLIC FLOAT

Financial adviser to Vision Grande Group Holdings Limited



The Board has noted the recent increase in the trading volume of the Shares and wishes to state that save as the Placing to maintain the minimum public float of the Company, the Board is not aware of any reasons for such increase.

The Board is pleased to announce that at the EGM held on 17 January 2005, the ordinary resolutions approving (i) the Subscription Agreement and the transactions contemplated thereby including the allotment and issue of up to 176,000,000 new Shares (subject to changes (if any) in the capital structure of the Company) to the Subscriber; and (ii) the Whitewash Waiver were duly passed by the Independent Shareholders by way of a poll. Following the passing of such resolutions by the Independent Shareholders and subject to the grant of the listing of, and permission to deal in, the Subscription Shares and the Option Shares by the Listing Committee of the Stock Exchange, the Subscription Agreement becomes unconditional and the Subscription Completion is expected to take place on or about 24 January 2005.

In compliance with the requirement under the Listing Rules, the Company has been informed by Mr. Li that he has engaged UOB Kay Hian (Hong Kong) Limited for the placing of 17,736,000 Shares to not less than six independent investors at HK\$3.05 per Share to maintain the minimum public float of the Company. As a result of the Placing, not less than 25% of the enlarged issued share capital of the Company will be in the hands of the public immediately after the Subscription Completion.

Reference is made to the joint announcement of the Company and the Subscriber dated 10 December 2004 in connection with, among other things, the proposed subscription of new Shares by and grant of the Option to the Subscriber (the "Joint Announcement"). Capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement unless defined otherwise.

RESULTS OF THE EGM

The Board is pleased to announce that at the EGM held on 17 January 2005, the ordinary resolutions approving (i) the Subscription Agreement and the transactions contemplated thereby including the allotment and issue of up to 176,000,000 new Shares (subject to changes (if any) in the capital structure of the Company) to the Subscriber (the "Resolution No. 1"); and (ii) the Whitewash Waiver (the "Resolution No. 2") were duly passed by the Independent Shareholders by way of a poll. The Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, was appointed as the scrutineers for the purpose of vote-taking at the EGM.

At the EGM, Mr. Li and Mr. Lee Cheuk Yin, Dennis, being Directors and holding 297,736,000 Shares in aggregate, abstained from voting on both the Resolution No. 1 and Resolution No. 2 and, as such, Independent Shareholders holding 102,264,000 Shares were entitled to attend and vote for or against the Resolution No. 1 and Resolution No. 2. The results of the vote in respect of the resolutions were as follows:

Resolution No.	Resolution	Number of Shares voting	
		For	Against
1	To approve the Subscription Agreement and the transactions contemplated thereby including the allotment and issue of up to 176,000,000 new Shares (subject to changes (if any) in the capital structure of the Company) to the Subscriber	28,612,000 (100%)	0 (0%)
2	To approve the Whitewash Waiver	28,612,000 (100%)	0 (0%)

Following the passing of such resolutions by the Independent Shareholders and subject to the grant of the listing of, and permission to deal in, the Subscription Shares and the Option Shares by the Listing Committee of the Stock Exchange, the Subscription Agreement becomes unconditional and the Subscription Completion is expected to take place on or about 24 January 2005.

PLACING OF EXISTING SHARES TO MAINTAIN PUBLIC FLOAT

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 Subscription Shares and, accordingly, less than 25% of the enlarged issued share capital of the Company would be in the hands of the public if the Placing (as defined below) was not undertaken. As mentioned in the Joint Announcement, Mr. Li has 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 Subscription Completion.

The Company has been informed by Mr. Li that, in connection with the undertaking given by him as mentioned above and in anticipation of the Subscription Completion following the passing of the resolutions at the EGM and the grant of the listing of, and permission to deal in, the Subscription Shares and the Option Shares by the Listing Committee of the Stock Exchange, he has engaged UOB Kay Hian (Hong Kong) Limited ("the Placing Agent") as placing agent for the placing of 17,736,000 Shares to not less than six independent investors at a price of HK\$3.05 per Share (the "Placing"). The Placing Agent and the placees are independent of and not connected with the Company, the Subscriber, any of the directors, chief executive and substantial shareholders of the Company and the Subscriber and their respective subsidiaries, and their respective associates. The placing price of HK\$3.05 per Share represents:

- a discount of 2.40% to the closing price of HK\$3.125 per Share as quoted on the Stock Exchange on 17 January 2005, being the date of the EGM; and
- a premium of approximately 2.09% over the average closing price of HK\$2.9875 per Share as quoted on the Stock Exchange over the last 10 full trading days up to and including 17 January 2005.

Completion of the Placing is expected to take place on or about 19 January 2005.

The following table illustrates (i) the existing shareholding structure of the Company; (ii) the shareholding structure of the Company immediately following the completion of the Placing but before the Subscription Completion; and (iii) the shareholding structure of the Company immediately following the completion of the Placing and the Subscription Completion:

Shareholder	As at the date of this announcement		Immediately following the completion of the Placing but before the Subscription Completion		Immediately following the completion of the Placing and the Subscription Completion	
	No. of Shares ('000)	Approximate %	No. of Shares ('000)	Approximate %	No. of Shares ('000)	Approximate %
Mr. Li	294,464	73.62	276,728	69.18	276,728	57.65
The Subscriber	–	–	–	–	80,000	16.67
Mr. Lee Cheuk Yin, Dannis	3,272	0.82	3,272	0.82	3,272	0.68
Public Shareholders	102,264	25.56	120,000	30.00	120,000	25.00
Total:	<u>400,000</u>	<u>100</u>	<u>400,000</u>	<u>100</u>	<u>480,000</u>	<u>100</u>

As a result of the Placing, not less than 25% of the enlarged issued share capital of the Company will be in the hands of the public immediately after the Subscription Completion.

MOVEMENT IN TRADING VOLUME

The Board has noted the recent increase in the trading volume of the Shares and wishes to state that save as the Placing to maintain the minimum public float of the Company as mentioned in the paragraph headed “Placing of existing Shares to maintain public float” above, the Board is not aware of any reasons for such increase.

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or maybe of a price-sensitive nature.

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

Hong Kong, 17 January 2005

* *for identification purpose only*

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 and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

Please also refer to the published version of this announcement in The Standard dated 18 January 2005.