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VISION VALUES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

DISCLOSEABLE TRANSACTION IN RESPECT OF THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF BEST PROFILE INVESTMENTS LIMITED AND GREATER OCEAN INTERNATIONAL LIMITED

DISCLOSEABLE TRANSACTION

The Agreements

On 21 August 2012 (after trading hours), the Company entered into the Agreement A to acquire the Sale Shares A and the Sale Loan A from the Vendor for a consideration of HK\$15,307,000.00, which shall be satisfied by the Company in cash at Completion A.

On the same day (after trading hours), the Company entered into the Agreement B to acquire the Sale Shares B and the Sale Loan B from the Vendor for a consideration of HK\$13,081,000.00, which shall be satisfied by the Company in cash at Completion B.

Upon completion of the Agreements, the Company will hold 100% equity interests in the Target Group A and Target Group B which will become the wholly owned subsidiaries of the Company and their accounts will be consolidated with that of the Group.

Listing Rules Implications

As the relevant percentage ratios for the Acquisitions calculated aggregately under Rule 14.07 of the Listing Rules are more than 5% but less than 25%, the Acquisitions, in aggregate, constitutes a discloseable transaction on the part of the Company under the Listing Rules.

THE AGREEMENT A

Date: 21 August 2012 (after trading hours)

Parties

Purchaser: the Company

Vendor: the Vendor

Guarantor: the Guarantor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor, a company incorporated in Samoa and principally engaged in investment holdings, and the Guarantor, being the ultimate beneficial owner of the Vendor, is an Independent Third Party.

Assets to be acquired

Pursuant to the Agreement A, the Company has agreed to acquire and the Vendor has agreed to sell the Sale Shares A and the Sale Loan A.

The Sale Shares A represent the entire issued share capital of the Target A. The Sale Loan A represents all obligations, liabilities and debts owing or incurred by the Target Group A to the Vendor on or at any time prior to Completion A, whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion A.

The sole asset of Target A is a company incorporated in Hong Kong which is legally and beneficially interested in the Properties A comprise three residential units located at Mid-level, Hong Kong with a total gross floor area of approximately 1,549 square feet.

Consideration A

The Consideration A payable to the Vendor shall be satisfied by the Company in cash at Completion A.

The Consideration A was arrived at after arm's length negotiations between the parties to the Agreement A with reference to the unaudited net asset value of Target Group A as at 30 June 2012 after adjusted by the valuation of the Properties A issued by an independent professional valuer, Cushman & Wakefield Valuation Advisory Services (HK) Limited. The Properties A were valued at 30 June 2012 in aggregate with reference to market evidence of transaction prices for similar properties in similar locations and condition.

Conditions of the Agreement A

Completion A shall be conditional upon:

- (a) the Company being satisfied with the results of the due diligence review (including but not limited to tax, financial and legal due diligence) of the Target Group A;
- (b) all necessary consents, authorizations, licences and approvals required to be obtained on the part of the Company in respect of the Agreement A and the transactions contemplated thereunder having been obtained;
- (c) the warranties provided by the Company under the Agreement A remaining true and accurate in all respects;
- (d) the warranties provided by the Vendor under the Agreement A remaining true and accurate in all respects;
- (e) the obtaining of a valuation report (in form and substance satisfactory to the Company) from a firm of independent professional valuers appointed by the Company showing the valuation of the Properties A to be not less than HK\$14,668,000.00 at 30 June 2012;
- (f) the obtaining of a Samoa legal opinion (in form and substance satisfactory to the Company) from a firm of Samoa legal advisers appointed by the Company in relation to the Agreement A and the transactions contemplated thereunder, including but not limited to the due establishment of the Target A and such other matter as may be reasonably required by the Company to be included in the Samoa legal opinion;
- (g) the Company being satisfied that there has not been any change which has a material and adverse effect on the financial position, business or property or results of operations in respect of any member of the Target Group A since the date of the Agreement A;
- (h) if required, the obtaining of an ordinary resolution of the Shareholders (other than those who are required to abstain from voting under the Listing Rules) either passed at a general meeting of the Company or by way of a written resolutions approving the entering into of the Agreement A and the performance of the transactions contemplated thereunder by the Company; and
- (i) all necessary governmental and regulatory (including the Stock Exchange) approvals or consents (or waivers) required by the Company for the consummation of the transactions contemplated therein having been obtained.

The Vendor may at any time by notice in writing to the Company waive condition (c). The Company may at any time by notice in writing to the Vendor waive conditions (a), (e), (f) and (g). Conditions (b), (d), (h) and (i) are incapable of being waived by both parties. If the conditions set out above have not been satisfied (or as the case may be, waived by the parties to the Agreement A) on or before 4:00 p.m. on 31 October 2012, or such later date as the parties may agree, the Agreement A shall cease and determine.

Completion A

Completion A shall take place at 4:00 p.m. on any day falling within 3 business days after all the conditions set out above have been fulfilled or waived at the principal place of business of the Company in Hong Kong or such other time and place as the parties may mutually agree.

Upon completion of the Agreement A, the Company will hold 100% equity interests in the Target Group A which will become wholly owned subsidiaries of the Company and their accounts will be consolidated with that of the Group.

If Completion A does not take place for any reason, the Company may forthwith determinate the Agreement A by giving notice of termination in writing to the Vendor, or vice versa, to such effect, and neither party to the Agreement A shall have any obligations and liabilities thereunder and neither party to the Agreement A shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

THE AGREEMENT B

Date: 21 August 2012 (after trading hours)

Parties

Purchaser: the Company

Vendor: the Vendor

Guarantor: the Guarantor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor, a company incorporated in Samoa and principally engaged in investment holdings, and the Guarantor, being its ultimate beneficial owner the Vendor, is an Independent Third Party.

Assets to be acquired

Pursuant to the Agreement B, the Company has agreed to acquire and the Vendor has agreed to sell the Sale Shares B and the Sale Loan B.

The Sale Shares B represent the entire issued share capital of the Target B. The Sale Loan B represents all obligations, liabilities and debts owing or incurred by the Target Group B to the Vendor on or at any time prior to Completion B, whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion B.

The sole asset of Target B is a company incorporated in Hong Kong which is legally and beneficially interested in the Properties B which comprise three industrial units and a car park inside an industrial building in Fanling, New Territories. The three industrial units have a total gross floor area of approximately 3,511 square feet.

Consideration B

The Consideration B payable to the Vendor shall be satisfied by the Company in cash at Completion B.

The Consideration B was arrived at after arm's length negotiations between the parties to the Agreement B with reference to the unaudited net asset value of Target Group B as at 30 June 2012 after adjusted by the valuation of the Properties B issued by an independent professional valuer, Cushman & Wakefield Valuation Advisory Services (HK) Limited. The Properties B were valued at 30 June 2012 in aggregate with reference to market evidence of transaction prices for similar properties in similar locations and condition.

Conditions

Completion B shall be conditional upon:

- (a) the Company being satisfied with the results of the due diligence review (including but not limited to tax, financial and legal due diligence) of the Target Group B;
- (b) all necessary consents, authorizations, licences and approvals required to be obtained on the part of the Company in respect of the Agreement B and the transactions contemplated thereunder having been obtained;
- (c) the warranties provided by the Company under the Agreement B remaining true and accurate in all respects;
- (d) the warranties provided by the Vendor under the Agreement B remaining true and accurate in all respects;
- (e) the obtaining of a valuation report (in form and substance satisfactory to the Company) from a firm of independent professional valuers appointed by the Company showing the valuation of the Properties B to be not less than HK\$12,650,000.00 at 30 June 2012;
- (f) the obtaining of a Samoa legal opinion (in form and substance satisfactory to the Company) from a firm of Samoa legal advisers appointed by the Company in relation to the Agreement B and the transactions contemplated thereunder, including but not limited to the due establishment of the Target B and such other matter as may be reasonably required by the Company to be included in the Samoa legal opinion;
- (g) the Company being satisfied that there has not been any change which has a material and adverse effect on the financial position, business or property or results of operations in respect of any member of the Target Group B since the date of the Agreement B;
- (h) if required, the obtaining of an ordinary resolution of the Shareholders (other than those who are required to abstain from voting under the Listing Rules) either passed at a general meeting of the Company or by way of a written resolutions approving the entering into of the Agreement B and the performance of the transactions contemplated thereunder by the Company;
- (i) all necessary governmental and regulatory (including the Stock Exchange) approvals or consents (or waivers) required by the Company for the consummation of the transactions contemplated therein having been obtained.

The Vendor may at any time by notice in writing to the Company waive condition (c). The Company may at any time by notice in writing to the Vendor waive conditions (a), (e), (f) and (g). Conditions (b), (d), (h) and (i) are incapable of being waived by both parties. If the conditions set out above have not been satisfied (or as the case may be, waived by the parties to the Agreement B) on or before 4:00 p.m. on 31 October 2012, or such later date as the parties may agree, the Agreement B shall cease and determine.

Completion B

Completion B shall take place at 4:00 p.m. on any day falling within 3 business days after all the conditions set out above have been fulfilled or waived at the principal place of business of the Company in Hong Kong or such other time and place as the parties may mutually agree.

Upon completion of the Agreement B, the Company will hold 100% equity interests in the Target Group B which will become wholly owned subsidiaries of the Company and their accounts will be consolidated with that of the Group.

If Completion B does not take place for any reason, the Company may forthwith determinate the Agreement B by giving notice of termination in writing to the Vendor, or vice versa, to such effect, and neither party to the Agreement B shall have any obligations and liabilities thereunder and neither party to the Agreement B shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms thereof.

INFORMATION ON THE VENDOR

The Vendor is a company incorporated in Samoa principally engaged in investment holdings.

Each of the Guarantor, being the ultimate beneficial owner of the Vendor, and the Vendor is not a connected person of the Company and is an Independent Third Party not connected with the Company and its connected persons.

INFORMATION ON THE TARGET GROUP A

The Target A was incorporated in Samoa.

The principal asset of the Target A is its indirect beneficial interest in the Properties A. To the best knowledge and belief of the Directors and having made all reasonable enquiries, the Properties A are residential units located at Mid-level, Hong Kong with a total gross floor area of approximately 1,549 square feet. One unit of Properties A is currently vacant and the remaining two units are leased out to earn total monthly rental income of HK\$26,000.00.

Set out below is a summary of key financial data of the Target Group A, which has been prepared based on the generally accepted accounting principles in Hong Kong.

	For the year ended 31 March 2011 <i>HK\$'000</i> (unaudited)	For the year ended 31 March 2012 <i>HK\$'000</i> (unaudited)
Results		
Turnover	307	379
Profit before tax and revaluation gains	93	223
Revaluation gains	4,655	1,544
Profit after tax	<u>4,707</u>	<u>1,734</u>
	As at 31 March 2011 <i>HK\$'000</i> (unaudited)	As at 31 March 2012 <i>HK\$'000</i> (unaudited)
Assets and liabilities		
Total assets	14,728	15,295
Net assets	<u>12,306</u>	<u>14,040</u>

INFORMATION ON THE TARGET GROUP B

The Target B was incorporated in Samoa.

The principal asset of the Target B is its indirect beneficial interest in the Properties B. To the best knowledge and belief of the Directors and having made all reasonable enquiries, the Properties B comprise three industrial units and a car park space inside an industrial building in Fanling, New Territories. The three industrial units have a total gross floor area of approximately 3,511 square feet and leased out with a total monthly rental income of HK\$27,000.00 while the car park space is temporarily vacant.

Set out below is a summary of key financial data of the Target Group B, which has been prepared based on the generally accepted accounting principles in Hong Kong.

	For the year ended 31 March 2011 <i>HK\$'000</i> (unaudited)	For the year ended 31 March 2012 <i>HK\$'000</i> (unaudited)
Results		
Turnover	231	216
Profit before tax and revaluation gains	23	103
Revaluation gains	—	10,076
Profit after tax	<u>23</u>	<u>10,179</u>

	As at 31 March 2011 HK\$'000 (unaudited)	As at 31 March 2012 HK\$'000 (unaudited)
Assets and liabilities		
Total assets	2,934	13,094
Net assets	<u>2,178</u>	<u>12,357</u>

REASONS FOR THE ACQUISITIONS

The Group is principally engaged in the provision of network solutions and project services and property investment business.

The Directors therefore consider that the Acquisitions by the Company are in line with the business strategy of the Group by strengthening the Group's property portfolio. After completion of the Acquisitions, the Group will continue to lease out the Properties A and the Properties B for rental income. The Directors further believe that the return of the industrial and residential property markets in Hong Kong will remain healthy. Besides the steady flow of rental income, the Acquisitions would offer capital appreciation potential to the Group.

The Properties A and Properties B are located in Hong Kong and will generate or continue generating steady rental income to the Group. After taking into account the fair value of the Properties A and Properties B, the rental income to be generated and the potential growth in value of the Properties A and Properties B, the Directors consider that the Acquisitions and the transactions contemplated under the Agreements have been made on normal commercial terms and that such terms (including the Consideration A and the Consideration B) are fair and reasonable and that the Acquisitions and the transactions contemplated under the Agreements are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios for the Acquisitions aggregately calculated under Rule 14.07 of the Listing Rules are more than 5% but less than 25%, the Acquisitions in aggregate constitute a discloseable transaction on the part of the Company under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Acquisition A”	the acquisition of the Sale Shares A and the Sale Loan A pursuant to the terms of the Agreement A
“Acquisition B”	the acquisition of the Sale Shares B and the Sale Loan B pursuant to the terms of the Agreement B

“Acquisitions”	the Acquisition A and the Acquisition B
“Agreement A”	the sale and purchase agreement dated 21 August 2012 and entered into between the Company and the Vendor in respect of the Acquisition A
“Agreement B”	the sale and purchase agreement dated 21 August 2012 and entered into between the Company and the Vendor in respect of the Acquisition B
“Agreements”	the Agreement A and the Agreement B
“Board”	the board of Directors
“Company”	Vision Values Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange
“Completion A”	completion of the Agreement A
“Completion B”	completion of the Agreement B
“Consideration A”	the consideration of HK\$15,307,000.00 to be satisfied by the Company in cash for the Acquisition A
“Consideration B”	the consideration of HK\$13,081,000.00 to be satisfied by the Company in cash for the Acquisition B
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	an Independent Third Party and the ultimate beneficial owner of the Vendor, who has unconditionally and irrevocably guaranteed to the Company under each of the Agreements the due and punctual performance of the Vendor in accordance with the terms and conditions of each of the Agreements
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons

“Last Trading Day”	21 August 2012, being the last trading day on which the Shares were traded on the prior to entering into of the Agreements, and the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Properties A”	the residential units located at Units 2A, 3B and 4D, No. 48 Caine Road, Central, Hong Kong, which are beneficially owned by the Target Group A
“Properties B”	the industrial units located at Units 2 and 3 on G/F., car parking space P4 on 1/F. and Unit 13 on 2/F., Fanling Industrial Centre, No. 21 On Kui Street, Fanling, New Territories, which are beneficially owned by the Target Group B
“Sale Shares A”	1 share in the Target A, representing the entire issued share capital of the Target A
“Sale Shares B”	1 share in the Target B, representing the entire issued share capital of the Target B
“Sale Loan A”	all obligations, liabilities and debts owing or incurred by the Target Group A to the Vendor on or at any time prior to the Completion A whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion A, which as at 30 June 2012 (being the date which latest unaudited consolidated management account of the Target Group A made up), amounted to HK\$1,167,803.20
“Sale Loan B”	all obligations, liabilities and debts owing or incurred by the Target Group B to the Vendor on or at any time prior to the Completion B whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion B, which as at 30 June 2012 (being the date which latest unaudited consolidated management account of the Target Group B made up), amounted to HK\$693,310.07
“Shareholders”	holders of the issued Shares
“Shares”	ordinary share(s) of HK\$0.10 each in issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target A”	Best Profile Investments Limited, a company incorporated in Samoa with limited liability which is wholly-owned by the Vendor

“Target B”	Greater Ocean International Limited, a company incorporated in Samoa with limited liability which is wholly-owned by the Vendor
“Target Group A”	collectively the Target A and its subsidiary
“Target Group B”	collectively the Target B and its subsidiary
“Vendor”	Vision Nominees Limited, a company incorporated in Samoa with limited liability, an Independent Third Party
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Vision Values Holdings Limited
Lo Lin Shing, Simon
Chairman

Hong Kong, 21 August 2012

As at the date hereof, the Board comprises five Directors, of which Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman are executive Directors, Mr. Lau Wai Piu, Mr. Tsui Hing Chuen, William JP and Mr. Lee Kee Wai, Frank are independent non-executive Directors.