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## **VISION VALUES HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 862)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

On 5 April 2013 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent whereby the Company conditionally agreed to place, through the Placing Agent, on a best effort basis, up to 280,000,000 Placing Shares to not less than six independent Placees at the Placing Price of HK\$0.15 per Placing Share.

Assuming there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date and the maximum number of 280,000,000 Placing Shares are successfully placed under the Placing, the 280,000,000 Placing Shares represent (i) approximately 19.85% of the existing issued share capital of the Company of 1,410,380,690 Shares as at the date of this announcement; and (ii) approximately 16.56% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

On the assumption that the maximum number of 280,000,000 Placing Shares are successfully placed, the maximum gross proceeds from the Placing will be approximately HK\$42,000,000 and the maximum net proceeds of the Placing (after deduction of the relevant expenses in the estimate amount of approximately HK\$1,140,000) will amount to approximately HK\$40,860,000, which is intended to be used for general working capital of the Group and/or for financing future investment opportunities. The maximum net proceeds raised upon completion of the Placing will be approximately HK\$0.146 per Placing Share.

The Placing Shares will be allotted and issued under the General Mandate and completion of the Placing is conditional upon, among other things, the Listing Committee agreeing to grant the listing of, and permission to deal in, the Placing Shares.

**As completion of the Placing is subject to the satisfaction of the conditions set out in the sub-paragraph headed “Conditions of the Placing” below, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **THE PLACING AGREEMENT**

#### **Date**

5 April 2013 (after trading hours)

**Issuer**

The Company

**Placing Agent**

The Placing Agent, as the placing agent for the Company, has conditionally agreed to procure Placees, on a best effort basis, to subscribe for up to 280,000,000 Placing Shares at the Placing Price of HK\$0.15 per Placing Share.

**Placees**

The Placing Shares will be placed to not less than six independent Placees. The Placing Agent will use its reasonable endeavours to ensure that each of the Placees and its ultimate beneficial owner(s) are Independent Third Parties. It is expected that none of the Placees will become a substantial Shareholder (as defined in the Listing Rules) immediately after completion of the Placing.

**Number of Placing Shares**

Assuming there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date and the maximum number of 280,000,000 Placing Shares are successfully placed under the Placing, the 280,000,000 Placing Shares represent (i) approximately 19.85% of the existing issued share capital of the Company of 1,410,380,690 Shares as at the date of this announcement; and (ii) approximately 16.56% of the issued share capital of the Company as enlarged by the issue of the Placing Shares. The maximum aggregate nominal value of the Placing Shares will be HK\$42,000,000.

**Placing Price**

The Placing Price of HK\$0.15 per Placing Share was determined with reference to the prevailing market price and liquidity of the Shares and was agreed after arm's length negotiation between the Company and the Placing Agent.

The Placing Price of HK\$0.15 per Placing Share represents:

- (i) a discount of approximately 14.29% to the closing price of HK\$0.175 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (ii) a discount of approximately 16.67% to the average closing price of approximately HK\$0.18 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Date;
- (iii) a discount of approximately 16.67% to the average closing price of approximately HK\$0.18 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Date; and
- (iv) a premium of approximately 38.89% to the unaudited consolidated net asset value of approximately HK\$0.108 per Share as at 31 December 2012.

## **Rights of Placing Shares**

The Placing Shares will be issued by the Company free from all liens, charges, encumbrances, claims, options and any third party rights. Upon completion of the Placing, the Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the other Shares in issue on the date of allotment and issue of the Placing Shares, together with all rights attaching thereto as at the Completion Date, including the right to receive all dividends and other distributions which may be declared, paid or made thereafter save for any right or entitlement the record date for which precedes the date on which such Placing Shares are allotted and issued.

The Placing Shares, when allotted and issued, will not be subject to any lock-up restriction under the terms of the Placing Agreement.

## **Placing commission to the Placing Agent**

The Placing Agent will receive a placing commission of 2% of the aggregate Placing Price of the Placing Shares successfully placed by it upon completion of the Placing. The placing commission was determined after arm's length negotiation between the Company and the Placing Agent. The Directors are of the view that the placing commission accords with the market rate and is fair and reasonable.

## **General Mandate**

The Placing Shares will be allotted and issued under the General Mandate pursuant to which the Directors are authorised to allot and issue up to 282,076,138 new Shares.

As at the date of this announcement, no new Shares have been allotted and issued pursuant to the General Mandate. The allotment and issue of a maximum number of 280,000,000 Placing Shares will utilise approximately 99.26% of the General Mandate. As such, the Placing and the allotment and issue of the Placing Shares are not subject to any further approval by the Shareholders.

## **Conditions of the Placing**

Completion of the Placing is conditional upon the following conditions being fulfilled:

- (i) the Listing Committee granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares (such permission and listing not subsequently revoked prior to the delivery of definitive share certificates representing the Placing Shares); and
- (ii) the compliance of the requirements under the Listing Rules and The Hong Kong Code on Takeovers and Mergers (if any) or otherwise as may be required by the Stock Exchange and the Securities and Futures Commission of Hong Kong in relation to the Placing; and
- (iii) the obtaining of all consents, approvals or waivers from any relevant persons which are necessary or desirable in connection with the Placing (and, where such consents, approvals or waivers are given subject to conditions, such conditions to

be on such terms as may be reasonably acceptable to the Placing Agent and the Company).

The above conditions cannot be waived by the Company or the Placing Agent. If any of the above conditions is not fulfilled on or prior to 30 September 2013 (or such later date as the Company and the Placing Agent may agree in writing), the Placing Agreement will terminate and all obligations of the Company and the Placing Agent under the Placing Agreement shall cease and determine and no party to the Placing Agreement shall have any claim against the other in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation and any liabilities under the Placing Agreement.

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

### **Completion of the Placing**

Completion of the Placing shall take place on the third Business Day after the date of fulfillment of all the conditions set out above (or such later date as may be agreed in writing between the Company and the Placing Agent).

**As completion of the Placing is subject to the satisfaction of the conditions set out in the sub-paragraph headed “Conditions of the Placing” above, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **Termination**

If at any time on or prior to 4:00 p.m. on the Business Day immediately before the Completion Date:-

- (A) there shall have come to the attention of the Placing Agent :
  - (i) any material breach of, or any event rendering untrue or incorrect in any material respect, any of the representations, warranties or undertakings of the Company set out in the Placing Agreement; or
  - (ii) any material breach of, or failure to perform, any of the other obligations of the Company which are required to be performed at or before completion of the Placing; or
- (B) there shall have occurred or come to the attention of the Placing Agent :
  - (i) any adverse change in the market conditions (including without limitation suspension or material restriction on trading in securities generally) which in the reasonable opinion of the Placing Agent materially and prejudicially affects the Placing and makes it inadvisable or inexpedient to proceed therewith; or
  - (ii) any new law or government regulation or other occurrence of any nature whatsoever which in the reasonable opinion of the Placing Agent will materially and adversely affect the business or financial or trading position or prospects of the Group or any part thereof or the Placing; or

- (iii) any event or change (whether or not forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof) in local, national, international, financial, political, military, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which in the reasonable opinion of the Placing Agent will materially and adversely affect the business or financial or trading position or prospects of the Group or any part thereof or the Placing; or
- (iv) the declaration of a banking moratorium in Hong Kong which in the reasonable opinion of the Placing Agent materially and prejudicially affects the Placing and makes it inadvisable or inexpedient to proceed therewith; or
- (v) any adverse announcement, determination or ruling of any governmental or other regulatory body (including but not limited to the absence of reasonable prospect for obtaining a clearance or approval of this announcement from the Stock Exchange),

then and in any such case, the Placing Agent may, after consultation with the Company (to the extent that the same is reasonably practicable), terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company provided that such notice is received prior to the Completion Date.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

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

The Directors believe that the Placing represents a good opportunity for the Company to enlarge its shareholder base and capital base. In addition, the net proceeds of the Placing will strengthen the Group's financial position for future development of the Group. Furthermore, the Directors consider that the terms of the Placing Agreement (including the Placing Price) are on normal commercial terms and are fair and reasonable based on the current market conditions. Accordingly, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

On the assumption that the maximum number of 280,000,000 Placing Shares are successfully placed, the maximum gross proceeds from the Placing will be approximately HK\$42,000,000 and the maximum net proceeds of the Placing (after deduction of the relevant expenses in the estimate amount of approximately HK\$ 1,140,000) will amount to approximately HK\$40,860,000, which is intended to be used as general working capital of the Group and/or for financing future investment opportunities. As at the date of this announcement, the Group has not identified any specific investment target. The maximum net proceeds raised upon completion of the Placing will be approximately HK\$0.146 per Placing Share.

## **FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company had not conducted any fund raising exercises in the twelve months period immediately preceding the date of this announcement.

## EFFECT ON SHAREHOLDINGS STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Placing, on the assumption that (a) the maximum number of 280,000,000 Placing Shares will be placed under the Placing; (b) there will be no other change to the issued share capital of the Company between the date of this announcement and the Completion Date; and (c) the Placees do not and will not hold any Shares other than the Placing Shares:

	As at the date of this announcement		Immediately after completion of the Placing	
	Number of issued Shares	Approximate % of issued Shares	Number of issued Shares	Approximate % of issued Shares
<b>Shareholders</b>				
Lo Lin Shing, Simon ("Mr. Lo") and his associates <sup>(Notes 1 and 2)</sup>	554,334,060	39.30%	554,334,060	32.79%
Ho Hau Chong, Norman ("Mr. Ho") <sup>(Note 2)</sup>	780,000	0.06%	780,000	0.05%
Placees	-	-	280,000,000	16.56%
Other public Shareholders	855,266,630	60.64%	855,266,630	50.60%
<b>Total</b>	<b><u>1,410,380,690</u></b>	<b><u>100.00%</u></b>	<b><u>1,690,380,690</u></b>	<b><u>100.00%</u></b>

Notes :

1. Mr. Lo and Mr. Ho are executive Directors.
2. Among the 554,334,060 Shares, 780,000 Shares represent interest of Mr. Lo on an individual basis; while 553,554,060 Shares represent interest of Moral Glory International Limited, a company wholly-owned by Mr. Lo.

As at the date of this announcement, the authorised share capital of the Company is HK\$2,000,000,000 divided into 20,000,000,000 Shares and the issued share capital of the Company is 1,410,380,690 Shares. The Company also has 62,000,000 outstanding share options which entitle the holders thereof to subscribe for a total of 62,000,000 Shares under the share option scheme adopted by the Company on 28 May 2002 and 64,000,000 outstanding share options which entitle the holders thereof to subscribe for a total of 64,000,000 Shares under the share option scheme adopted by the Company on 23 November 2011 respectively. Save as aforesaid, the Company has no other share options, warrants or other outstanding securities in issue which are convertible or exchangeable into Shares as at the date of this announcement.

## DEFINITIONS

The following words and expressions used in this announcement will have the following meanings, unless the context otherwise requires:-

“associate(s)”	has the meaning as ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than Saturday and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Company”	Vision Values Holdings Limited (Stock code: 862), 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
“Completion Date”	the third Business Day after the date of fulfillment of all the conditions set out in the sub-paragraph headed “Conditions of the Placing” in this announcement (or such other date as may be agreed between the Company and the Placing Agent in writing)
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 26 November 2012 to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the said annual general meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) and its(their) ultimate beneficial owner(s) which are independent of the Company and its connected persons (as defined in the Listing Rules)
“Last Trading Date”	5 April 2013, being the last trading day before the release of this announcement

“Listing Committee”	has the meaning as ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	independent institutional, corporate or individual investor(s) whom the Placing Agent and/or any of its agent(s) has procured to subscribe for any of the Placing Shares pursuant to the terms of the Placing Agreement
“Placing”	the placing of up to 280,000,000 Placing Shares by the Placing Agent on a best effort basis pursuant to the terms of the Placing Agreement
“Placing Agent”	Halcyon Securities Limited, a corporation licensed to carry out type 1 (dealing in securities) regulated activities for the purposes of the SFO
“Placing Agreement”	a conditional placing agreement dated 5 April 2013 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.15 per Placing Share
“Placing Shares”	a maximum number of 280,000,000 new Shares to be placed by the Placing Agent under the Placing Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 5 April 2013

*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. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank are independent non-executive Directors.*