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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Vision Values Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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VISION VALUES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 8 of this circular.

A notice convening the AGM to be held at 22/F., United Centre, 95 Queensway, Hong Kong on Wednesday, 23 November 2011 at 3:30 p.m. is set out on pages 21 to 25 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

19 October 2011

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be held at 22/F., United Centre, 95 Queensway, Hong Kong on Wednesday, 23 November 2011 at 3:30 p.m.
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Vision Values Holdings Limited (stock code: 862), a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any person who is (or will be on and following the Offer Date): (i) any employee or proposed employees (whether full time or part time) or executives, including executive director, of the Company, the Controlling Shareholder, any Invested Entity and/or their respective subsidiaries; (ii) any non-executive director (including independent non-executive directors) of any member of the Group or any Invested Entity; (iii) any supplier, adviser, agent, consultant, or contractor for the provision of goods or services to any member of the Group or any Invested Entity, or any vendor, customer or celebrity of any member of the Group or any Invested Entity; or (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 28 May 2002
“General Mandates”	the Issue Mandate and the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which any member of the Group holds any direct or indirect equity interests, and/or any subsidiaries of such entity

DEFINITIONS

“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares in the manner as set out in the ordinary resolution numbered 4 of the Notice of AGM
“Latest Practicable Date”	14 October 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice convening the AGM as set out on pages 21 to 25 of this circular
“New Share Option Scheme”	the new share option scheme of the Company proposed to be approved and adopted by the Shareholders at the Annual General Meeting, a summary of the terms of which is set out in Appendix III to this circular
“Offer Date”	the date on which an offer for grant of Options is made to an Eligible Person, which must be a business day
“Option(s)”	option(s) to subscribe for Share(s) that may be granted pursuant to the New Share Option Scheme
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in the ordinary resolution numbered 5 of the Notice of AGM
“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
“Share Capital”	the issued ordinary share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

VISION VALUES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

Executive Directors:

Mr. Lo Lin Shing, Simon (*Chairman*)

Mr. Ho Hau Chong, Norman

Independent Non-executive Directors:

Mr. Tsui Hing Chuen, William *JP*

Mr. Lau Wai Piu

Mr. Lee Kee Wai, Frank

Registered office:

P.O. Box 309

Ugland House

South Church Street

George Town

Grand Cayman

Cayman Islands

British West Indies

*Head office and Principal place of
business in Hong Kong:*

Unit 309, 3/F

Fook Hong Industrial Building

19 Sheung Yuet Road

Kowloon Bay

Hong Kong

19 October 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give the Shareholders details of the following proposals which, together with other ordinary business, will be proposed at the AGM for consideration and, where appropriate, approval of the Shareholders:

- (i) re-election of retiring Directors;
- (ii) grant of the General Mandates; and

LETTER FROM THE BOARD

- (iii) the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme.

The Notice of AGM is set out on pages 21 to 25 of this circular.

RE-ELECTION OF RETIRING DIRECTORS

At the forthcoming AGM, Mr. Tsui Hing Chuen, William *JP* and Mr. Lee Kee Wai, Frank shall retire from office in accordance with article 116 of the Articles and being eligible, offer themselves for re-election. Pursuant to Rule 13.74 of the Listing Rules, brief biographical and other details of the retiring Directors required under Rule 13.51(2) of the Listing Rules are set out in Appendix I.

GENERAL MANDATES

The current general mandates granted to the Directors to issue and repurchase Shares will expire at the conclusion of the AGM. In order to provide flexibility and discretion to the Directors to issue new Shares, ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates authorizing them (i) to exercise the powers of the Company to allot and issue new Shares up to an amount not exceeding 20% of the Share Capital as at the date of the passing of such resolution; (ii) to repurchase Shares not exceeding 10% of the Share Capital as at the date of the passing of such resolution; and (iii) subject to the passing of the ordinary resolutions approving the General Mandates at the AGM, to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, there were 1,410,380,690 Shares in issue. Subject to the passing of the ordinary resolutions to approve the General Mandates at the AGM and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to issue up to a maximum of 282,076,138 Shares under the Issue Mandate and to repurchase up to a maximum of 141,038,069 Shares under the Repurchase Mandate.

The Directors believe that it is in the interests of the Company and the Shareholders as a whole if the General Mandates are granted at the AGM. The Issue Mandate provides the Directors with flexibility to issue Shares especially in the context of a fund raising exercise in a timely manner or a transaction involving an acquisition by the Group where Shares are to be issued as consideration and which has to be completed speedily. As at the Latest Practicable Date, the Directors had no present intention of any acquisition by the Company nor any present plan for raising capital by issuing new Shares under the proposed Issue Mandate.

The Company at present does not have any plan for repurchases of Shares. Repurchase will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Repurchase Mandate can provide more flexibility to the Directors to enhance the net asset value of the Company and/or its earnings per Share. The General Mandates, if approved by the Shareholders at the AGM, will continue until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of such authority by the Shareholders.

An explanatory statement providing all the requisite information concerning the Repurchase Mandate required under the Listing Rules is set out in the Appendix II to this circular.

TERMINATION OF THE EXISTING SHARE OPTION SCHEME

The Company adopted the Existing Share Option Scheme on 28 May 2002 whereby the Directors had been authorised to invite, at their discretion, the existing eligible persons under the Existing Share Option Scheme to take up options to subscribe for the Shares. The Existing Share Option Scheme will expire on 27 May 2012 and therefore it is proposed to adopt the New Share Option Scheme and simultaneously terminate the operation of the Existing Share Option Scheme at the AGM.

Upon termination of the Existing Share Option Scheme, no further options would be offered under the Existing Share Option Scheme but the Existing Share Option Scheme would in other respects remain in force to the extent necessary to give effect to the exercise of the outstanding options, if any, granted thereunder prior to its termination (the “Existing Options”). Any Existing Options will continue to be valid and exercisable in accordance with the terms of the Existing Share Option Scheme. As at the Latest Practicable Date, there were 62,000,000 Existing Options outstanding.

Other than the Existing Share Option Scheme, the Company did not maintain any other share option scheme as at the Latest Practicable Date. At the AGM, an ordinary resolution will be proposed for the Company to approve the termination of the Existing Share Option Scheme.

ADOPTION OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide incentive or reward to Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Group. The principal terms of the New Share Option Scheme are set out in Appendix III to this circular.

LETTER FROM THE BOARD

The adoption of the New Share Option Scheme is conditional upon:

- (1) the passing of an ordinary resolution by the Shareholders to approve and adopt the New Share Option Scheme; and
- (2) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares falling to be issued upon the exercise of Options granted under the New Share Option Scheme.

Assuming that the Existing Share Option Scheme has been terminated and the New Share Option Scheme has been adopted at the AGM, the maximum number of Shares which may be allotted and issued upon exercise of all outstanding Options granted under the New Share Option Scheme and any other share option scheme(s) of the Company may represent up to 10% of the Share Capital on the date of approval of the New Share Option Scheme by the Shareholders at the AGM, which maximum number may however be refreshed as detailed in Appendix III to this circular. As at the Latest Practicable Date, the Share Capital comprised 1,410,380,690 Shares. Assuming that prior to the AGM, no Shares are issued or repurchased by the Company, the Scheme Mandate Limit will be 141,038,069 Shares, representing approximately 10% of the Share Capital as at the date of the passing of the ordinary resolution approving and adopting the New Share Option Scheme. Options to subscribe for up to 141,038,069 Shares will be available to be granted by the Directors under the New Share Option Scheme. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any) of the New Share Option Scheme.

The New Share Option Scheme does not contain any specific requirements for the minimum period which an Option must be held before exercise or for performance targets applicable to the Options. The Directors have retained the flexibility to impose such conditions if and when they consider appropriate. The Directors also believe that the formulation in the New Share Option Scheme for setting the minimum subscription price for the Shares will serve to protect the value of the Company as well as to achieve the purpose of the New Share Option Scheme. The Directors have considered and agreed that the New Share Option Scheme would enable the Company to offer the Eligible Persons Options to acquire equity interest in the Company as an incentive or reward for their contribution to, and continuing efforts to promote the interests of, the Group. The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables such as the subscription price, exercise period, interest rate, expected volatility and other relevant variables cannot be available for calculating the value of the Options. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions will not be meaningful to the Shareholders in the circumstances.

LETTER FROM THE BOARD

The New Share Option Scheme is designed to enable the Group to recruit and retain high-calibres employees, suppliers, advisers, agents and consultants that are valuable to the Group. Based as the above, the Directors' consider the terms of the New Share Option Scheme are fair and reasonable to the Company and its Shareholders as a whole.

The New Share Option Scheme is in compliance with Chapter 17 of the Listing Rules. Application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of any Options to be granted under the New Share Option Scheme. The Shares are only listed on the Stock Exchange and not on any other stock exchange. Copy of the rules of the New Share Option Scheme will be available for inspection at the head office and principal place of business of the Company in Hong Kong at Unit 309, 3rd Floor, Fook Hong Industrial Building, 19 Sheung Yuet Road, Kowloon Bay, Hong Kong from 9:00 a.m. to 5:00 p.m. on any weekday (Saturdays and public holidays excepted) for the period from the date of this circular until the date of the AGM. Such copy will also be available for inspection at the AGM.

NOTICE OF AGM AND VOTING BY POLL

The Notice of AGM is set out on pages 21 to 25 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote by the Shareholders at a general meeting must be taken by poll. Accordingly, all resolution will be put to vote by way of poll at the AGM. An announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

None of the Shareholders is required to abstain from voting at the AGM pursuant to the Listing Rules and/or the Articles.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the proposals described in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions regarding the re-election of retiring Directors, the grant of the General Mandates, the extension of the Issue Mandate, the termination of the Existing Share Option Scheme and the adoption of the New Option Scheme to be proposed at the AGM.

GENERAL

Your attention is drawn to the additional information set out in the appendices.

Yours faithfully,
For and on behalf of the Board
Lo Lin Shing, Simon
Chairman

The biographical and other details of the retiring Directors standing for re-election at the AGM are set out below:

- (1) **Mr. Tsui Hing Chuen, William JP**, aged 60, was appointed as an independent non-executive Director in September 2006. Save as disclosed herein, Mr. Tsui has not held any other positions with the Company and other members of the Group. Mr. Tsui is the founder partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries since 1980. He has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England and Wales since 1980 as well as a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor of the Supreme Court of Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. Tsui was appointed as a Justice of Peace by the Government of Hong Kong in 1997. Mr. Tsui is currently an independent non-executive director of Mongolia Energy Corporation Limited, International Entertainment Corporation and Haitong International Securities Group Limited (formerly known as Taifook Securities Group Limited), all of which are companies whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Tsui has not held any directorships in listed public companies in the past three years preceding the Latest Practicable Date.

Mr. Tsui has not entered into any service contract with the Company and is subject to retirement by rotation and re-election at the AGM in accordance with the Articles. Mr. Tsui is entitled to a remuneration of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, subject to review by the Board from time to time. Saved as aforesaid, Mr. Tsui has not had other remuneration such as bonus and other kinds of benefits.

As at the Latest Practicable Date, Mr. Tsui holds 5,000,000 share options under the Existing Share Option Scheme, representing approximately 0.355% of the Share Capital. Apart from this, he has no personal interest which is required to be notified to the Company and the Stock Exchange under Part XV of the SFO. Other than his role as an independent non-executive Director, Mr. Tsui has no relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other matter that need to be brought to the attention of the Shareholders and there is no information to be disclosed by the Company pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

- (2) **Mr. Lee Kee Wai, Frank**, aged 52, was appointed as an independent non-executive Director since April 2007. Mr. Lee is the Senior Partner of Messrs. Vincent T.K. Cheung, Yap & Co., Solicitors and Notaries. Mr. Lee is a qualified solicitor in the respective jurisdictions of Hong Kong, England, Singapore and the Australian Capital Territory. He is also a China-Appointed Attesting Officer and a member of the Chartered Institute of Arbitrators. Mr. Lee is a graduate of Bachelor of Laws from the London School of Economics & Political Science and has also obtained a Master of Laws degree from Cambridge University. Mr. Lee is currently also a non-executive director of Pico Far East Holdings Limited, a company whose shares are listed on the Stock Exchange. Save as disclosed above, Mr. Lee did not hold any directorship in any other listed public company in the past three years immediately prior to the date of this circular.

Mr. Lee has not entered into any service contract with the Company and is subject to retirement by rotation and re-election at the AGM in accordance with the Articles. Mr. Lee is entitled to a remuneration of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, subject to review by the Board from time to time. Save as aforesaid, Mr. Lee has not had other remuneration such as bonus and other kinds of benefits.

As at the Latest Practicable Date, Mr. Lee holds 5,000,000 share options under the Existing Share Option Scheme, representing approximately 0.355% of the Share Capital. Apart from this, he has no personal interest which is required to be notified to the Company and the Stock Exchange under Part XV of the SFO. Other than his role as an independent non-executive Director, Mr. Lee has no relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other matter that need to be brought to the attention of the Shareholders and there is no information to be disclosed by the Company pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This is an explanatory statement given to the Shareholders relating to proposed resolution granting the Repurchase Mandate to the Directors to be passed by the Shareholders at the AGM.

This explanatory statement contains a summary of the information required pursuant to Rule 10.06(1)(b) of the Listing Rules which is set out as follows:

(1) Exercise of the Repurchase Mandate

Resolution numbered 5 set out in the Notice of AGM will, if passed, give a general unconditional mandate to the Directors authorising the repurchase by the Company of the issued and fully paid Shares up to a maximum of 10% of the nominal amount of the share capital of the Company as at the date of the AGM. It will be valid until the next annual general meeting unless revoked or varied before such meeting.

Assuming that no further Shares are issued or repurchased after the Latest Practicable Date and before the date of the AGM, there will be 1,410,380,690 Shares in issue and exercise in full of the Repurchase Mandate would result in up to a maximum of 141,038,069 Shares being repurchased by the Company.

(2) Reasons for repurchases

The Directors believe that it is in the interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

(3) Funding of repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the applicable laws of the Cayman Islands, the memorandum of association of the Company and the Articles. The laws of the Cayman Islands provide that the amount to be paid in connection with a share repurchase may be paid out of profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, provided the Company can, immediately following such payments, pay its debts as they fall in the ordinary course of business.

There might be a material impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(4) Status of repurchased Shares

The Listing Rules provide that the listing of all the Shares repurchased by the Company will automatically be cancelled and the Company must ensure that the corresponding certificates are cancelled and destroyed. Under the laws of the Cayman Islands, the Shares so repurchased will be treated as having been cancelled.

(5) Share repurchases

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six (6) months preceding the Latest Practicable Date.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

(6) Share prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
October	0.580	0.430
November	0.475	0.350
December	0.420	0.330
2011		
January	0.400	0.320
February	0.365	0.290
March	0.380	0.270
April	0.500	0.300
May	0.410	0.290
June	0.375	0.300
July	0.325	0.255
August	0.290	0.183
September	0.248	0.208
October (up to the Latest Practicable Date)	0.219	0.169

(7) Effect of the Takeovers Code

If, as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could, depending upon the level of increase in shareholding, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Lo Lin Shing, Simon, chairman and executive Director, by himself and through his wholly-owned subsidiary, Moral Glory International Limited, held approximately 39.30% of the Share Capital. In the event that the Directors exercise in full the Repurchase Mandate, the aggregate shareholding of Mr. Lo Lin Shing, Simon in the Company would increase to approximately 43.67% of the Share Capital. The Directors consider that such increase may give rise to an obligation on the part of Mr. Lo Lin Shing, Simon to make a mandatory offer under Rule 26 of the Takeovers Code. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in such takeover obligation. Besides, the Directors have no present intention to repurchase Shares to an extent which will result in the number Shares held by the public being reduced to less than 25%.

(8) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell any Shares to the Company under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles and the applicable laws of the Cayman Islands.

Set out below is a summary of the principal terms of the New Share Option Scheme.

PURPOSE OF THE SCHEME

The purpose of the New Share Option Scheme is to provide incentive or reward to Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Group.

WHO MAY JOIN

The Board may in its absolute discretion grant Options to any Eligible Persons.

PRICE OF SHARES

Options may be granted at an initial payment of HK\$1.00 for each acceptance of grant of Option(s) and can be exercised at an exercise price determined by the Board and notified to an Eligible Person (subject to adjustments as provided in the rules of the New Share Option Scheme and any amendments to the Listing Rules and shall at all times not be lower than the nominal value of a Share) and shall be at least the higher of: (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date; and (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for 5 business days immediately preceding the Offer Date.

MAXIMUM NUMBER OF SHARES

The maximum aggregate number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option scheme(s) of the Company shall not exceed the Scheme Mandate Limit. Options lapsed in accordance with the terms of the relevant option scheme(s) shall not be counted for the purpose of calculating the Scheme Mandate Limit which may be refreshed by ordinary resolution of the Shareholders in general meeting, provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of such Shareholders' approval of the refreshment of the Scheme Mandate Limit;
- (b) options previously granted under the New Share Option Scheme or any other share option scheme(s) (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and
- (c) a circular regarding the proposed refreshment of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules.

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

The maximum number of Shares (issued and to be issued) upon exercise of the options granted under the New Share Option Scheme and any other share option scheme(s) of the Company (whether exercised, cancelled or outstanding) to any Eligible Person in any 12-month period shall not exceed 1% of the total number of Shares in issue from time to time unless such grant is duly approved by ordinary resolution of the Shareholders in general meeting at which the relevant Eligible Person and his associates shall abstain from voting and the Company shall issue a circular in accordance with the relevant provisions of Chapter 17 of the Listing Rules.

In calculating the aforesaid limit of 1%, Options that have already lapsed shall not be counted.

GRANT OF OPTIONS TO CONNECTED PERSONS

Any grant of Options to a Director, chief executive or substantial Shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a prospective grantee of the Options).

Where Options are proposed to be granted to a substantial Shareholder or an independent non-executive Director or any of their respective associates, and the proposed grant of Options, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such Eligible Person under the New Share Option Scheme and any other share option scheme(s) of the Company in the past 12-month period up to and including the Offer Date representing in aggregate over 0.1% of the total number of issued Shares on the Offer Date and having an aggregate value (based on the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the Offer Date) exceeding HK\$5,000,000, the proposed grant shall be subject to the issue of a circular and the approval of the Shareholders in general meeting (taken on a poll) in accordance with the requirements of the Listing Rules at which all Connected Persons must abstain from voting (but a Connected Person may vote against the resolution at the general meeting provided that his intention to do so has been stated in the circular).

In calculating the aforesaid limit of 0.1%, Options that have already lapsed shall not be counted.

TIME FOR EXERCISE OF OPTIONS

The grantee of an Option may subscribe for Shares during such period as may be determined by the Board (the period shall commence on the date on which the offer relating to such Option is duly approved by the Board in accordance with the New Share Option Scheme and expire in any event not later than the day falling ten years thereafter). The New Share Option Scheme does not provide for any minimum period for which an Option must be held before it can be exercised.

PERFORMANCE TARGETS

The New Share Option Scheme does not provide any specific performance targets that need to be met before a grantee is entitled to exercise an Option duly granted. The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an Eligible Person.

RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the grantee of the Option and shall not be assignable nor transferable.

RIGHTS ON CEASING TO BE AN ELIGIBLE PERSON

Subject to the provisions in the paragraphs below headed “Rights on death” and “Rights on dismissal or breach of contract”, if a grantee of an Option ceases to be an Eligible Person for any reason, the grantee can only exercise the Option within one month after the date of such cessation, which date shall be (i) if he is an employee of the Group, his last actual working day with the Group whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of the Group, the date on which the relationship constituting him an Eligible Person ceases.

RIGHTS ON DEATH

If the grantee of an outstanding Option dies before exercising the Option in full or at all, the Option can only be exercised up to the entitlement of such grantee by his personal representative(s) within twelve months after the date of death.

RIGHTS ON DISMISSAL OR BREACH OF CONTRACT

If the grantee (if he is also an employee of the Group) (i) is summarily dismissed for misconduct or otherwise commits a breach of any terms of his employment or other contract constituting him an employee of the Group, or (ii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or becomes insolvent or makes any arrangements or composition with his creditors generally; or (iii) is convicted of any criminal offence involving his integrity or honesty, his right to exercise all outstanding Options held by him shall thereupon terminate immediately. A resolution of the Board or

its duly authorised committee to the effect that one or more of the grounds specified in this paragraph has occurred shall be conclusive and binding on the grantee, and where appropriate, his legal representative(s).

If the grantee (whether he is an employee of the Group or not) or his associate (i) commits any breach of any contract entered into between the grantee or his associate on the one part and the Group or any Invested Entity or the Controlling Shareholder or any of their respective subsidiaries on the other part; or (ii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his or its debts or becomes insolvent or is subject to any liquidation or analogous proceedings or makes any arrangements or composition with his or its creditors generally; or (iii) is convicted of any criminal offence involving his or its integrity or honesty, the right to exercise all outstanding Options held by him or it shall thereupon terminate immediately. A resolution of the Board or its duly authorised committee to the effect that one or more of the grounds specified in this paragraph has occurred shall be conclusive and binding on the grantee and where appropriate, his legal representative(s).

EFFECT OF ALTERATIONS TO CAPITAL

In the event of a capitalisation issue, rights issue, consolidation, or subdivision of Shares or reduction of the share capital of the Company, the Company shall make corresponding alterations (if any) to:

- (a) the number of Shares subject to Options already granted so far as they remain exercisable; and/or
- (b) the subscription price,

or any combination thereof as the auditors of the Company or the independent financial adviser to the Company shall at the request of the Company certify in writing to the Board either generally or as regards any particular grantee that the adjustments are in their opinion fair and reasonable and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules. Further, it is provided that:

- (i) any such alteration shall be made so that each grantee is given the same proportion of the equity capital of the Company as that to which he was previously entitled;
- (ii) no such alterations shall be made which would result in the subscription price for a Share being less than its nominal value;
- (iii) no such alterations shall be made in respect of an issue of securities by the Company as consideration for or in connection with a transaction;

- (iv) any such alterations, save as those made on a capitalisation issue, shall be confirmed by the auditors of the Company or the independent financial adviser in writing to the Directors as satisfying the requirements of the foregoing paragraphs (i) and (ii); and
- (v) any such alterations made pursuant to a subdivision or consolidation of share capital shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event.

RIGHTS ON A GENERAL OFFER

If a general offer is made by way of takeover, share repurchase offer or otherwise in a like manner to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by offeror and/or any person acting in association or concert with the offeror), the grantee can only, by notice in writing to the Company within twenty-one days after such offer becoming or being declared unconditional, exercise all or any of his Options, and to the extent that they are not so exercised, the right to exercise the Option shall upon the expiry of such period terminate immediately.

RIGHTS ON WINDING UP

If a notice of a general meeting is given by the Company for the purposes of considering and approving a resolution to voluntarily wind-up the Company, each grantee can only exercise all or any of his Options at any time not later than two business days prior to the proposed general meeting of the Company. The right to exercise the Options shall, to the extent that they are not so exercised, terminate immediately on the date of commencement of the voluntary winding-up of the Company.

RIGHTS ON A SCHEME OF ARRANGEMENT

If a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the grantee can only thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the Options in full or in part.

RANKING OF SHARES

Shares allotted upon exercise of Options shall be subject to the Bye-laws and shall rank *pari passu* in all respects with the other Shares in issue at the relevant date of allotment except in respect of any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore is before the relevant date of allotment.

PERIOD OF THE SCHEME

The New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from and on its date of adoption (subject to early termination in accordance with the provisions thereof).

VARIATION AND TERMINATION

The New Share Option Scheme may be altered in any respect by resolution of the Board except that certain provisions as to:

- (a) the definitions of grantee, Eligible Person(s) and subscription price; and
- (b) the provisions relating to, the matters set out in Rule 17.03 of the Listing Rules including those relating to the purpose, duration and administration of the New Share Option Scheme, grant of Options (except for the provision that an offer may be accepted in full or in part and the requirements that the offer shall be in writing and shall contain the terms of the offer), subscription price, exercise of Option, lapse of Option, maximum number of Shares available for subscription, reorganisation of capital structure, alteration of the New Share Option Scheme, cancellation of Options granted and termination;

shall not be altered to the advantage of grantees or prospective grantees except with the prior approval of the Shareholders in general meeting (with such grantees or prospective grantees and their respective associates abstained from voting). No such alterations shall operate to affect adversely the terms of issue of any Options granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the grantees as would be required of the Shareholders under the Articles for a variation of the rights attached to the Shares.

Any alterations to the provisions of the New Share Option Scheme which are of a material nature (except where alterations take effect automatically under the provisions of the New Share Option Scheme) or any change to the terms of Options granted must be approved by the Shareholders in general meeting. The amended terms of (i) the New Share Option Scheme or (ii) the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules. Any change to the authority of the Board in relation to any alterations to the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.

The Company, by ordinary resolution in general meeting, or the Board may terminate the operation of the New Share Option Scheme at any time and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

LAPSE OF OPTION

The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (a) the expiry of the option period as described in the paragraph above headed “Time for exercise of options”;
- (b) the expiry of any of the periods referred to in the paragraphs above headed “Rights on ceasing to be an eligible person”, “Rights on death”, “Rights on dismissal or breach of contract” and “Rights on a general offer”;
- (c) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in the paragraph above headed “Rights on a scheme of arrangement”;
- (d) subject to the provision in the paragraph above headed “Rights on winding up”, the date of the commencement of the voluntary winding-up of the Company; or
- (e) the date on which the grantee commits a breach of the provisions of the New Share Option Scheme that an Option shall be personal to the grantee and shall not be assignable nor transferable and that no grantee shall sell, transfer, charge, mortgage or encumber or create any interest in favour of a third party over or in relation to any Option.

CANCELLATION OF UNEXERCISED OPTIONS

The Company may cancel an Option granted but not exercised with the approval of the grantee of such Option. No Options may be granted to an Eligible Person in place of his cancelled Options unless there are available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit approved by the Shareholders as mentioned in the paragraph above headed “Maximum number of Shares”.

NOTICE OF ANNUAL GENERAL MEETING

VISION VALUES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 862)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Vision Values Holdings Limited (the “**Company**”) will be held at 22/F., United Centre, 95 Queensway, Hong Kong on Wednesday, 23 November 2011 at 3:30 p.m. to transact the following ordinary business:

1. To receive and consider the audited financial statements and the reports of the directors and independent auditor of the Company for the year ended 30 June 2011;
2. (a) To re-elect Mr. Tsui Hing Chuen, William as independent non-executive director;

(b) To re-elect Mr. Lee Kee Wai, Frank as independent non-executive director;
and

(c) To authorise the board of directors to fix the directors’ remuneration;
3. To re-appoint Messrs. PricewaterhouseCoopers as independent auditor and to authorise the board of directors to fix their remuneration;

and, by way of special business, to consider and, if thought fit, to pass each of the following resolutions, with or without modification, of which resolutions numbered 4, 5, 6 and 7 will be proposed as ordinary resolutions:

ORDINARY RESOLUTIONS

4. “**THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company, and to make or grant offers, agreements or options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an issue of shares pursuant to any existing specific authority, including upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any bonds, notes, debentures or securities convertible into shares of the Company; (iii) the exercise of options granted under any share option scheme adopted by the Company; and (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company made to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

5. **“THAT:**
- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (**“Recognised Stock Exchange”**), subject to and in accordance with all applicable laws, rules and regulations and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, or of any other Recognised Stock Exchange and the articles of association of the Company be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of the shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the shares in the capital of the Company in issue as at the date of passing this resolution; and
 - (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of passing this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
 - (3) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
6. **“THAT** subject to the passing of resolutions numbered 4 and 5 as set out in the notice convening this meeting (the **“Notice”**), the general mandate granted to the directors of the Company to allot, issue and deal with additional shares of the Company pursuant to resolution numbered 5 set out in the Notice be and is hereby extended by the addition to it of an amount representing the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and since the granting to the Company of the general mandate to repurchase shares in accordance with resolution numbered 6 set out in the Notice.”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the shares of the Company (not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of this resolution) which may fall to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company (the “**New Share Option Scheme**”) (a copy of the rules of which marked “A” is produced to this meeting and signed by the Chairman of this meeting for identification purpose), the New Scheme be and is hereby approved and adopted on the date of this meeting and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with the shares fall to be issued pursuant to the exercise of any option granted thereunder and to take all such steps and do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Scheme; and
- (b) the existing share option scheme (the “**Existing Share Option Scheme**”) adopted by the Company pursuant to a resolution passed by the then shareholders of the Company on 28 May 2002 be terminated with immediate effect and shall cease to have any further effect save and except that the Existing Scheme will remain in force to the extent necessary to give effect to the exercise of the options granted thereunder prior to termination thereof.”

By Order of the Board
Vision Values Holdings Limited
Tang Chi Kei
Company Secretary

Hong Kong, 19 October 2011

Registered office:
P.O. Box 309
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

*Head office and Principal place of business
in Hong Kong:*
Unit 309, 3/F
Fook Hong Industrial Building
19 Sheung Yuet Road
Kowloon Bay
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person(s) as his/her proxy to attend and vote instead of him/her. In the case of a recognised clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the meeting and vote in its stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be).
3. Completion and return of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
4. Where there are joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled to vote; but if more than one of such joint holders be present at the meeting in person or by proxy, then the one of such holders whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
5. In accordance with Articles of the Company, Mr. Tsui Hing Chuen, William and Mr. Lee Kee Wai, Frank will retire at the meeting and being eligible, offer themselves for re-election. Details of the retiring directors have been set out in the circular of the Company dated 19 October 2011.