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## **VISION VALUES HOLDINGS LIMITED**

### **遠見控股有限公司**

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

**(Stock Code: 862)**

## **PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

**Underwriter of the Rights Issue**



**VMS Securities Limited**

### **PROPOSED RIGHTS ISSUE**

The Company proposes to raise not less than approximately HK\$233.3 million but not more than approximately HK\$237.7 million, before expenses, by way of a rights issue of not less than 1,295,919,446 Rights Shares but not more than 1,320,633,731 Rights Shares to the Qualifying Shareholders on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price of HK\$0.18 per Rights Share.

Pursuant to the terms of the Rights Issue, the Qualifying Shareholders will be provisionally allotted one (1) Rights Share in nil-paid form for every two (2) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders.

The estimated net proceeds of the Rights Issue will be not less than approximately HK\$227.1 million but not more than approximately HK\$231.5 million after deduction of all estimated expenses. The Group intends to apply the net proceeds from the Rights Issue for the strengthening of its investment property portfolio and general working capital for future development of other existing business segments of the Group. As at the date of this announcement, the Group has not identified any specific acquisition target.

Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite all the Underwritten Shares subject to the terms and conditions set out therein.

### **Irrevocable Undertakings**

As at the date of the Underwriting Agreement, Mr. Lo is holding 1,170,000 Shares, representing approximately 0.04% of the Company's issued share capital as at the date of this announcement, and is also beneficially holding outstanding Share Options carrying the right to subscribe for in total 13,800,000 new Shares. Pursuant to Mr. Lo's Undertaking, Mr. Lo has irrevocably undertaken to the Company and the Underwriter, among other things, (i) to accept by 4:00 p.m. of the Latest Acceptance Date of the 585,000 Rights Shares which will be provisionally allotted to him in respect of the 1,170,000 Shares registered in his name or the name of his nominee on the date of the Underwriting Agreement; and (ii) not to exercise any of his outstanding Share Options from the date of the Underwriting Agreement and up to the Record Date.

As at the date of the Underwriting Agreement, Moral Glory is holding 830,331,090 Shares, representing approximately 32.04% of the Company's issued share capital as at the date of this announcement. Pursuant to the Moral Glory Undertaking, Moral Glory has irrevocably undertaken to the Company and the Underwriter, among other things, to accept the acceptance by 4:00 p.m. of the Latest Acceptance Date of the 415,165,545 Rights Shares which will be provisionally allotted to Moral Glory in respect of the 830,331,090 Shares registered in its name or the name of its nominee on the date of the Underwriting Agreement.

As at the date of the Underwriting Agreement, the Directors (excluding Mr. Lo) hold outstanding Share Options carrying the right to subscribe for an aggregate of 39,732,142 Shares. Pursuant to the Other Directors' Undertaking, each of the Directors (excluding Mr. Lo) has irrevocably undertaken to the Company and the Underwriter, among other things, not to exercise the subscription rights attached to the Share Options held by each of them (which will remain held in the same name) from the date of the Underwriting Agreement up to the Record Date.

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES**

**The Rights Issue is conditional, *inter alia*, upon the fulfillment or waiver (as the case may be) of the conditions set out under the section headed “Conditions of the Rights Issue” of this announcement. Meanwhile, the Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as described below. Accordingly, the Rights Issue may or may not proceed and the Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.**

**Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived (as applicable), and any dealings in the nil-paid Rights Shares will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.**

## **TRADING ARRANGEMENTS**

The Record Date is Friday, 3 March 2017. The last day of dealings in the Shares on a cum-rights basis is Friday, 24 February 2017. The Shares will be dealt with on an ex-rights basis from Monday, 27 February 2017. The Rights Shares are expected to be dealt with in their nil-paid form from Wednesday, 8 March 2017 to Thursday, 16 March 2017 (both days inclusive).

To qualify for the Rights Issue, Shareholders must be registered as a member of the Company on the Record Date and must not be a Non-Qualifying Shareholder. The register of members of the Company will be closed from Wednesday, 1 March 2017 to Friday, 3 March 2017 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of the Shares will be registered during this period.

Holders of the Share Options who wish to participate in the Rights Issue should exercise the Share Options in accordance with the terms and conditions of the Share Option Scheme and be registered as holders of the Shares allotted and issued to them pursuant to such exercise with the Company on or before 4:30 p.m. on Tuesday, 28 February 2017.

## **GENERAL**

As the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval under the Listing Rules. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both nil-paid and fully-paid forms.

The Prospectus containing, among other things, further details of the Rights Issue is expected to be despatched by the Company, together with the PALs and the EAFs, to the Qualifying Shareholders on the Prospectus Posting Date. A copy of the Prospectus will also be made available on the websites of the Company ([www.visionvalues.com.hk](http://www.visionvalues.com.hk)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus (marked "for information only") to the Non-Qualifying Shareholders and, if required by the terms and conditions of the Share Option Scheme, to the respective holders of the Share Options, for their information only but will not send any PAL or EAF to them.

## PROPOSED RIGHTS ISSUE

The Board announces that the Rights Issue is proposed with the terms set out as follows:

### Rights Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Number of existing Shares in issue as at the date of this announcement	:	2,591,838,892 Shares
Minimum number of Rights Shares	:	1,295,919,446 Rights Shares (assuming no Shares are issued or repurchased and no outstanding Share Options being exercised on or before the Record Date)
Maximum number of Rights Shares	:	1,320,633,731 Rights Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options held by the Other Optionholders on or before the Latest Lodging Date, but otherwise no Shares are issued or repurchased on or before the Record Date) ( <i>Note</i> )
Subscription Price	:	HK\$0.18 per Rights Share
Underwriter	:	VMS Securities Limited
Minimum enlarged issued share capital of the Company upon completion of the Rights Issue	:	3,887,758,338 Shares (assuming no Shares are issued (other than the Rights Shares) or repurchased and no outstanding Share Options being exercised on or before the completion of the Rights Issue)
Maximum enlarged issued share capital of the Company upon completion of the Rights Issue	:	3,961,901,194 Shares (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options held by the Other Optionholders on or prior to the Latest Lodging Date, but otherwise no Shares (other than the Rights Shares) are issued or repurchased on or before the completion of the Rights Issue) ( <i>Note</i> )

*Note:*

As at the date of this announcement, there are 102,960,713 Share Options outstanding (conferring rights to subscribe for 102,960,713 new Shares), among which (i) Mr. Lo, being an executive Director and Chairman of the Board, is interested in outstanding Share Options carrying the right to subscribe for in total 13,800,000 new Shares; and (ii) other Directors, except for Mr. Lo, are interested in outstanding Share Options carrying the right to subscribe for a total of 39,732,142 new Shares. Pursuant to the Irrevocable Undertakings, each of the Directors has undertaken, among other things, not to exercise any of their respective outstanding Share Options from the date of the Underwriting Agreement up to the Record Date. On this basis, assuming full exercise of all outstanding Share Options held by the Other Optionholders on or before the Latest Lodging Date, an additional 24,714,285 Rights Shares would be issued by the Company.

The minimum number of 1,295,919,446 nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents (i) 50.0% of the Company's issued share capital as at the date of this announcement; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares, assuming no Shares would be issued (other than the Rights Shares) or repurchased and no outstanding Share Options being exercised on or before the completion of the Rights Issue. Taking into account the estimated expenses in connection with the Rights Issue of approximately HK\$6.2 million, the minimum net price per Rights Share is expected to be approximately HK\$0.175.

The maximum number of 1,320,633,731 nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents (i) approximately 51.0% of the Company's issued share capital as at the date of this announcement; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares, assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options held by the Other Optionholders on or prior to the Latest Lodging Date, but otherwise no Shares (other than the Rights Shares) would be issued or repurchased on or before the completion of the Rights Issue. Taking into account the estimated expenses in connection with the Rights Issue of approximately HK\$6.2 million, the minimum net price per Rights Share is expected to be approximately HK\$0.175.

As at the date of this announcement, save for the outstanding Share Options as detailed above, the Company has no other outstanding derivatives, options, warrants or conversion rights in issue or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares.

**Basis of provisional allotments**

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares in issue and held by the Qualifying Shareholders on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar before 4:00 p.m. on the Latest Acceptance Date.

### **Subscription Price**

The Subscription Price, being HK\$0.18 per Rights Share, is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of the Rights Shares and, where applicable, applies for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 39.0% to the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 40.4% to the average closing price of HK\$0.302 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (c) a discount of approximately 40.5% to the average closing price of approximately HK\$0.303 per Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a discount of approximately 29.9% to the theoretical ex-rights price of approximately HK\$0.257 per Share based on the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the Last Trading Day (assuming no outstanding Share Options being exercised on or before the Record Date); and
- (e) a premium of approximately 56.5% over the audited consolidated net assets value per Share as at 30 June 2016 of approximately HK\$0.115 per Share based on the audited consolidated net assets value attributable to owners of the Company as at 30 June 2016 and the 2,591,838,892 Shares in issued as at 30 June 2016.

The Subscription Price was determined based on arm's length negotiations between the Company and the Underwriter with reference to the recent closing prices of the Shares, current market conditions and the financial position of the Group.

The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

### **Qualifying Shareholders**

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Non-Qualified Shareholders, the Company will send copies of the Prospectus to them for their information only. Please take special note that the Company will send the PAL(s) and EAF(s) to the Qualifying Shareholders only.

To qualify for the Rights Issue, a Shareholder must be (i) registered as a member of the Company at the close of business on the Record Date; and (ii) a Qualifying Shareholder.

Shareholders whose Shares are held by nominee companies (or which are deposited in CCASS) should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies (or which are deposited in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) on or prior to the Record Date.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Registrar for registration by no later than 4:30 p.m. on Tuesday, 28 February 2017.

Optionholders who wish to participate in the Rights Issue should exercise the Share Options in accordance with the terms and conditions of the Share Option Scheme and be registered as holders of the Shares allotted and issued to them pursuant to such exercise with the Company on or before 4:30 p.m. on Tuesday, 28 February 2017.

Qualifying Shareholders who take up their pro-rata entitlements in full under the Rights Issue will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.



## **Rights of Overseas Shareholders**

Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

The Directors will make enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If, having made such enquiries, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) of their registered address or the requirements of the relevant regulatory body or stock exchange in that/those place(s), the Rights Issue will not be available to such Overseas Shareholders and no provisional allotment of nil-paid Rights Shares or allotment of Rights Shares will be made to them. Further information in this connection will be set out in the Prospectus. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only on the Prospectus Posting Date, but will not send any PAL and EAF to them. The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and Cayman Islands.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the nil-paid Rights Shares on the Stock Exchange commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, above HK\$100 will be paid pro rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders in Hong Kong dollars. The Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess application on the EAF by the Qualifying Shareholders.

Overseas Shareholders and beneficial owners of the Shares and who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to permit any Shareholder (whether as a direct holder or beneficial owner) whose registered address is in, or who otherwise resides in, a jurisdiction other than Hong Kong to take up the Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations in that jurisdiction which would otherwise give rise to restrictions upon the offer or take-up of the Rights Shares in that jurisdiction and treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, such Overseas Shareholders and beneficial owners of the Shares should exercise caution when dealing in the Shares.

### **Fractions of the Rights Shares**

The Company will not provisionally allot fractions of Rights Shares in nil-paid form and will not accept applications for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number). All nil-paid Rights Shares arising from such aggregation will be sold by the Company or its nominee in the market and the proceeds will be retained by the Company for its own benefit, if a premium (net of expenses and stamp duty) can be obtained. Any such unsold aggregate fractions of nil-paid Rights Shares will be made available for excess application on the EAFs by the Qualifying Shareholders. No odd lot matching services will be provided.

### **Application for excess Rights Shares**

The Rights Shares to which the Non-Qualified Shareholders would otherwise have been entitled, and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders, will be available for excess application by the Qualifying Shareholders. Application may be made only by the Qualifying Shareholders by completing an EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis and on a pro-rata basis to the excess Rights Shares being applied for under each application.

However, no preference will be given to topping-up odd lots to whole board lots. Qualifying Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for excess Rights Shares. Any Rights Shares not applied for by the Qualifying Shareholders and not taken by excess application will be taken up by the Underwriter.

Investors with their Shares held by a nominee (or which are held in CCASS) should note that the Directors will regard the nominee (including HKSCC) as a single Shareholder according to the register of members of the Company. Accordingly, investors whose Shares are registered in the name of a nominee (or which are held in CCASS) should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually. Beneficial owners with their Shares held by a nominee (or which are held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. Investors whose Shares are held by a nominee (or which are held in CCASS) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Registrar by 4:30 p.m. on Tuesday, 28 February 2017.

### **Status of the Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares in their fully-paid form.

### **Application for listings**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Dealings in the Rights Shares in their nil-paid forms will be in board lots of 20,000 Shares.

No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Shareholders should seek advice from their licensed securities dealers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

### **Stamp duty and other applicable fees and charges**

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the Registrar, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

### **Share certificates and refund cheques for the Rights Issue**

Subject to the fulfillment or waiver (as applicable) of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 29 March 2017. Applicant(s) will receive one share certificate for all the Rights Shares allotted and issued to him/her/it.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 29 March 2017 by ordinary post to the applicants at their own risk.

## **UNDERWRITING ARRANGEMENT**

### **The Underwriting Agreement**

- Date : 24 January 2017
- Underwriter : VMS Securities Limited. To the best of the Directors' knowledge and information after having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.
- Number of the Underwritten Shares : Not less than 880,168,901 Rights Shares and not more than 904,883,186 Rights Shares, being all Rights Shares under the Rights Issue excluding the Committed Shares and after taking into account of the Irrevocable Undertakings.
- Underwriting Commission : 2.5% of the aggregate Subscription Price of the maximum number of the Underwritten Shares, which was determined after arm's length negotiations between the Company and the Underwriter.

The Board (including the independent non-executive Directors) considers the terms of the Underwriting Agreement (including the underwriting commission) accord with the market price and are fair and reasonable so far as the Company and the Shareholders are concerned.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. The Underwriting Agreement is conditional upon the following being fulfilled or waived (as applicable):

- (1) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms);

- (2) the filing and registration of all documents relating to the Rights Issue, which are required to be filed or registered with the Registrar of Companies in Hong Kong in accordance with the Companies (WUMP) Ordinance and, where necessary, the filing of all documents relating to the Rights Issue, which are required to be filed with the Registrar of Companies in the Cayman Islands in accordance with the Companies Law of the Cayman Islands;
- (3) the posting of the Prospectus Documents to Qualifying Shareholders;
- (4) the Underwriter having received on or before the date of the Underwriting Agreement the Irrevocable Undertakings duly executed by each of Mr. Simon Lo and Moral Glory, Mr. Ho Hau Chong, Norman, Mr. Lo, Rex Cze Kei, Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank and the compliance with and performance of such Irrevocable Undertakings and obligations by each of them;
- (5) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement;
- (6) the trading of the Shares on the Stock Exchange has not been suspended from the date of the Underwriting Agreement up to and including the Latest Acceptance Date for a period of more than fourteen (14) consecutive trading days (save and except any suspension for the clearing of any announcement or Prospectus of the Company in relation to the Rights Issue); and
- (7) the Shares remaining listed on the Stock Exchange at all times up to and including the Latest Acceptance Date and the current listing of the Shares not having been withdrawn and no indication being received from the Stock Exchange before the Latest Acceptance Date to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of this Agreement or for any other reason.

Neither the Company nor the Underwriter may waive the Conditions Precedent (1), (2), (3), (4) and (7) set out above. The Underwriter may waive the conditions (5) and (6) above at any time before 4:00 p.m. on the Latest Acceptance Date or such later date or dates as the Underwriter may agree with the Company in writing.

In the event that the conditions above have not been satisfied or waived (as applicable) in whole or in part by the Underwriter on or before the Latest Time for Termination or such later date or dates as the Underwriter may agree with the Company in writing, all obligations of the parties to the Underwriting Agreement shall cease and the Underwriting Agreement shall terminate (save in respect of certain rights and obligations under the Underwriting Agreement) and the Rights Issue will not proceed.

### **Irrevocable Undertakings**

As at the date of the Underwriting Agreement, Mr. Lo is holding 1,170,000 Shares, representing approximately 0.04% of the Company's issued share capital as at the date of this announcement, and is also beneficially holding outstanding Share Options carrying the right to subscribe for in total 13,800,000 new Shares. Pursuant to Mr. Lo's Undertaking, Mr. Lo has irrevocably undertaken to the Company and the Underwriter, among other things, (i) to accept by 4:00 p.m. of the Latest Acceptance Date of the 585,000 Rights Shares which will be provisionally allotted to him in respect of the 1,170,000 Shares registered in his name or the name of his nominee on the date of the Underwriting Agreement; and (ii) not to exercise any of his outstanding Share Options from the date of the Underwriting Agreement and up to the Record Date.

As at the date of the Underwriting Agreement, Moral Glory is holding 830,331,090 Shares, representing approximately 32.04% of the Company's issued share capital as at the date of this announcement. Pursuant to the Moral Glory Undertaking, Moral Glory has irrevocably undertaken to the Company and the Underwriter, among other things, to accept the acceptance by 4:00 p.m. of the Latest Acceptance Date of the 415,165,545 Rights Shares which will be provisionally allotted to Moral Glory in respect of the 830,331,090 Shares registered in its name or the name of its nominee on the date of the Underwriting Agreement.

As at the date of the Underwriting Agreement, the Directors (excluding Mr. Lo) hold outstanding Share Options carrying the right to subscribe for an aggregate of 39,732,142 Shares. Pursuant to the Other Directors' Undertaking, each of the Directors (excluding Mr. Lo) has irrevocably undertaken to the Company and the Underwriter, among other things, not to exercise the subscription rights attached to the Share Options held by each of them (which will remain held in the same name) from the date of the Underwriting Agreement up to the Record Date.

## **Termination of the Underwriting Agreement**

If, prior to the Latest Time for Termination:

- (1) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
  - (c) any materially adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
  - (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
  - (e) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally for more than 14 consecutive trading days on the Stock Exchange due to exceptional financial circumstances or otherwise; or



- (2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, and a change in currency conditions for the purpose of this clause includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) the Prospectus when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date hereof been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue, the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

**In the event the Underwriter exercises the right to terminate the Underwriting Agreement by giving written notice of termination prior to the Latest Time for Termination, all the obligations of the Underwriter under the Underwriting Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save in respect of certain rights or obligations under the Underwriting Agreement including rights of the parties thereto in respect of any antecedent breach).**

**If the Underwriter exercises such right or the Underwriting Agreement does not become unconditional, the Rights Issue will not proceed.**

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES**

The Rights Issue is conditional, *inter alia*, upon the fulfillment or waiver (as the case may be) of the conditions set out under the section headed “Conditions of the Rights Issue” of this announcement. Meanwhile, the Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as described below. Accordingly, the Rights Issue may or may not proceed and the Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived (as applicable), and any dealings in the nil-paid Rights Shares will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

**CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Wednesday, 1 March 2017 to Friday, 3 March 2017 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

**EXPECTED TIMETABLE**

The expected timetable for the Rights Issue is as follows:

**2017**

Last day of dealings in Shares on a cum-rights basis . . . . .	Friday, 24 February
First day of dealings in Shares on an ex-rights basis . . . . .	Monday, 27 February
Latest time for lodging transfer of Shares in order to be qualified for the Rights Issue . . . . .	4:30 p.m. on Tuesday, 28 February
Register of members of the Company closes (both dates inclusive) . . . . .	From Wednesday, 1 March to Friday, 3 March
Record Date . . . . .	Friday, 3 March
Register of members of the Company reopens . . . . .	Monday, 6 March
Despatch of the Prospectus Documents . . . . .	Monday, 6 March
First day and time of dealings in nil-paid Rights Shares . . . . .	9:00 a.m. on Wednesday, 8 March

Latest time for splitting nil-paid Rights Shares . . . . . 4:30 p.m. on  
Monday, 13 March

Last day and time of dealings in nil-paid Rights Shares. . . . . 4:00 p.m. on  
Thursday, 16 March

Latest time for acceptance of  
and payment for the Rights Shares  
and application for excess Rights Shares . . . . . 4:00 p.m. on  
Tuesday, 21 March

Latest time for the Rights Issue to become unconditional . . . . . 4:00 p.m. on  
Friday, 24 March

Announcement of the allotment results of  
the Rights Issue to be posted on  
the Stock Exchange's website. . . . . Tuesday, 28 March

Despatch of refund cheques for wholly and  
partially unsuccessful excess applications  
for excess Rights Shares. . . . . Wednesday, 29 March

Share certificates for the Rights Shares to be posted . . . . . Wednesday, 29 March

Dealings in the Rights Shares commence . . . . . 9:00 a.m. on  
Thursday, 30 March

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended or varied by agreement between the Company and the Underwriter. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

**EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES**

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place if there is:

1. a tropical cyclone warning signal number 8 or above, or
2. a “black” rainstorm warning
  - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
  - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on the Latest Acceptance Date, the dates mentioned in the section headed “Expected timetable” may be affected. An announcement will be made by the Company in such event.

## SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company as at the date of this announcement and the possible shareholding structure of the Company immediately after completion of the Rights Issue, assuming there is no other change in the shareholding structure of the Company since the date of this announcement:

	As at the date of this announcement		Assuming no exercise of the Share Options on or before the Record Date				Assuming exercise in full of the Share Options by Other Optionholders on or before the Record Date			
			Scenario I (Note 1)		Scenario II (Note 2)		Scenario I (Note 1)		Scenario II (Note 2)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>Shareholders</b>										
Mr. Lo (Notes 3 and 4)	831,501,090	32.08	1,247,251,635	32.08	1,247,251,635	32.08	1,247,251,635	31.48	1,247,251,635	31.48
Other directors of the Company and its subsidiaries										
– Directors (Note 5)	8,937,857	0.35	13,406,785	0.35	8,937,857	0.23	13,406,785	0.34	8,937,857	0.23
– directors of the subsidiaries of the Company	5,260,000	0.20	7,890,000	0.20	5,260,000	0.14	18,401,785	0.46	12,267,857	0.31
Underwriter	-	-	-	-	880,168,901	22.64	-	-	904,883,186	22.84
Public Shareholders	1,746,139,945	67.37	2,619,209,918	67.37	1,746,139,945	44.91	2,682,840,989	67.72	1,788,560,659	45.14
<b>Total</b>	<b>2,591,838,892</b>	<b>100.00</b>	<b>3,887,758,338</b>	<b>100.00</b>	<b>3,887,758,338</b>	<b>100.00</b>	<b>3,961,901,194</b>	<b>100.00</b>	<b>3,961,901,194</b>	<b>100.00</b>

### Notes:

- Scenario I illustrates the shareholding structure of the Company immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders under the Rights Issue.
- Scenario II illustrates the shareholding structure of the Company immediately after completion of the Rights Issue assuming no acceptance by the Qualifying Shareholders under the Rights Issue.
- Among the 831,501,090 Shares, 1,170,000 Shares represent interest of Mr. Lo on an individual basis; while 830,331,090 Shares represent interest of Moral Glory. On the other hand, Mr. Lo is also legally and beneficially interested in outstanding Share Options carrying the right to subscribe for in total 13,800,000 new Shares as at the date of this announcement. Pursuant to Mr. Lo's Undertaking, Mr. Lo has irrevocably undertaken to the Company and the Underwriter, among other things, to accept by 4:00 p.m. of the Latest Acceptance Date of the 585,000 Rights Shares which will be provisionally allotted to him in respect of the 1,170,000 Shares registered in his name or the name of his nominee on the date of the Underwriting Agreement; and not to exercise any of his outstanding Share Options from the date of the Underwriting

Agreement and up to the Record Date. Pursuant to the Moral Glory Undertaking, Moral Glory has irrevocably undertaken to the Company and the Underwriter, among other things, to accept the acceptance by 4:00 p.m. of the Latest Acceptance Date of the 415,165,545 Rights Shares which will be provisionally allotted to Moral Glory in respect of the 830,331,090 Shares registered in its name or the name of its nominee on the date of the Underwriting Agreement.

4. Mr. Lo is an executive Director, Chairman of the Board and the controlling Shareholder.
5. Pursuant to the Other Directors' Undertaking, each of the Directors has given irrevocable undertaking to the Company and the Underwriter not to exercise the subscription rights attached to the Share Options held by him from the date of the Underwriting Agreement up to the Record Date.

## **REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS**

The Group is principally engaged in the provision of network solutions and project services, property investment, yacht construction and trading, and exploration and evaluation of mineral resources. Based on the annual report of the Company for the year ended 30 June 2016 (the “**2016 Annual Report**”), the Group recorded improvement in financial performance that the audited consolidated loss attributable to owners of the Company for the year reduced from approximately HK\$45.2 million for the year ended 30 June 2015 to approximately HK\$26.8 million for the year ended 30 June 2016. Each of the yacht building segment and minerals exploration segment was yet to contribute any revenue to the Group for the two years ended 30 June 2016, while the Group recorded segmental profit in each of the network solutions and project services segment and property investment segment. As further stated in the 2016 Annual Report, in order to enhance shareholder value, the Group would continue to seek new investment opportunities in Hong Kong and Mainland China from time to time.

Based on the audited consolidated statement of financial position of the Company as at 30 June 2016 as set out in the 2016 Annual Report, the cash and bank balances of the Group was approximately HK\$157.6 million as at 30 June 2016. The Group has been identifying potential investment opportunities and since then acquired two commercial properties in Hong Kong with an aggregate consideration of approximately HK\$113.4 million (the “**Property Acquisitions**”), details of the relevant acquisitions are set out in the announcements of the Company dated 5 October 2016 and 16 December 2016, respectively. Given the Company financed the Property Acquisitions solely by internal resources and has not conducted any fund raising exercise subsequent to 30 June 2016, the cash and bank balances of the Group as at 30 June 2016 has been reduced by a considerable amount as a result of the Property Acquisitions. Furthermore, given the Company would continue to identify and seize suitable investment opportunities as and when they arise, after taking into account of the financial resources used in satisfying the Property Acquisitions, the Board considers that it is in the interest of the Shareholders and the Group as a whole to strengthen its financial position through the Rights Issue so as to capture suitable business and/or investment opportunities when they arise. To this

end, the Company has explored the possibilities and effects of different fund raising exercises including, but not limited to, placing of new shares, bank borrowings and rights issue. Given the Group has still been loss making for each of the year ended 30 June 2015 and 2016, the Company considers that debt financing, which will increase the finance cost and gearing ratio of the Group, is not preferred. When comparing placing of new shares and rights issue, after taking into account the fact that both of them would lead to commission payable to placing agent or underwriter (as the case may be), while all Qualifying Shareholders will be provided an equitable means to participate in the future business development of the Group through the rights issue and the fact that the Rights Issue is fully underwritten by the Underwriter (except for the Committed Shares) while placing of new shares is usually conducted on a best-effort basis, the Company has decided to conduct the Rights Issue at a price lower than the current market price of the Shares.

It is estimated that the net proceeds of the Rights Issue will be not less than approximately HK\$227.1 million (assuming no Shares are issued (other than the Rights Shares) or repurchased on or before the completion of the Rights Issue) and not more than approximately HK\$231.5 million (assuming new Shares are issued on or before the Record Date pursuant to the full exercise of all outstanding Share Options held by the Other Optionholders on or prior to the Latest Lodging Date, but otherwise no Shares (other than the Rights Shares) are issued or repurchased on or before the completion of the Rights Issue), after deducting all necessary expenses for the Rights Issue, which include the commission to the Underwriter and the relevant professional fees incurred by the Company.

The Group intends to apply the net proceeds from the Rights Issue as follows (based on the minimum net proceeds of approximately HK\$227.1 million):

- (i) as to approximately 74.9% (being approximately HK\$170.0 million) for the strengthening of its investment property portfolio by acquiring additional commercial and/or residential properties should suitable opportunities become available; and
- (ii) as to the remaining approximately 25.1% (being approximately HK\$57.1 million) for general working capital for future development of other existing business segments of the Group.

Nevertheless, the Group has not identified any specific acquisition target as at the date of this announcement.

Based on the aforesaid and taking into account that the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group, the Board (including the independent non-executive Directors) considers that the terms of the Underwriting Agreement are fair and reasonable and fund raising through the Rights Issue is in the interests of the Group and the Shareholders as a whole.

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

The Company has not raised any fund by issuing any equity securities in the past twelve months before the date of this announcement.

## **GENERAL**

As the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval under the Listing Rules. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both nil-paid and fully-paid forms.

The Prospectus containing, among other things, further details of the Rights Issue is expected to be despatched by the Company, together with the PALs and the EAFs, to the Qualifying Shareholders on the Prospectus Posting Date. A copy of the Prospectus will also be made available on the websites of the Company ([www.visionvalues.com.hk](http://www.visionvalues.com.hk)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus (marked "for information only") to the Non-Qualifying Shareholders and, if required by the terms and conditions of the Share Option Scheme, to the respective holders of the Share Options, for their information only but will not send any PAL or EAF to them.

## **ADJUSTMENTS TO EXERCISE PRICE AND NUMBER OF THE SHARE OPTIONS**

Adjustments to the exercise price and number of the outstanding Share Options may be required under the relevant terms of the Share Option Scheme. Further announcement will be made by the Company in this regard.



## DEFINITIONS

Unless the context requires otherwise, terms used in this announcement shall have the following meanings:

“Board”	the board of Directors
“Business Day”	a day (other than Saturday, Sunday and other general holidays in Hong Kong and any day on which a tropical cyclone warning signal number 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 in Hong Kong) on which licensed banks in Hong Kong are generally open for business
“Capital Reduction”	the reduction of the share capital of the Company by (i) reducing the par value of each issued Share from HK\$0.10 to HK\$0.01 by cancelling the paid up share capital to the extent of HK\$0.09 per issued Share, such that each issued Share shall become one fully paid up share of par value HK\$0.01 in the capital of the Company; and (ii) reducing the par value of each authorised but unissued share from HK\$0.10 to HK\$0.01, such that the authorised share capital of the Company shall be reduced from HK\$2,000,000,000.00 to HK\$200,000,000.00 (details of which were set out in the announcements of the Company dated 15 September 2016, 15 November 2016 and 23 January 2017, and the circular of the Company dated 6 October 2016)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Committed Shares”	the aggregate of 415,750,545 Rights Shares which Mr. Lo and Moral Glory are entitled to subscribe under the Rights Issue, each of Mr. Lo and Moral Glory has irrevocably undertaken to take up, or procure the taking up, pursuant to Mr. Lo’s Undertaking and Moral Glory Undertaking, respectively

“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“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
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Irrevocable Undertakings”	collectively, Mr. Lo’s Undertaking, Moral Glory Undertaking and the Other Directors’ Undertaking
“Last Trading Day”	Tuesday, 24 January 2017, being the last full trading day of the Shares immediately prior to the publication of this announcement
“Latest Acceptance Date”	the latest time as the Underwriter may agree in writing with the Company for acceptance of, and payment for, the Rights Shares and application and payment for excess Rights Shares, which is currently expected to be 4:00 p.m. on Tuesday, 21 March 2017

“Latest Lodging Date”	the latest time for lodging transfer documents of the Shares in order to qualify for the Rights Issue, which is currently expected to be 4:30 p.m. on Tuesday, 28 February 2017
“Latest Time for Termination”	4:00 p.m. on the third Business Day following the Latest Acceptance Date
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Moral Glory”	Moral Glory International Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Lo
“Moral Glory Undertaking”	the irrevocable undertaking letter dated 24 January 2017 executed by Moral Glory in favour of the Company and the Underwriter
“Mr. Lo”	Mr. Lo Lin Shing, Simon, being an executive Director and Chairman of the Board, the controlling Shareholder (directly and indirectly holding an aggregate of approximately 32.08% of the issued share capital of the Company as at the date of this announcement)
“Mr. Lo’s Undertaking”	the irrevocable undertaking letter dated 24 January 2017 executed by Mr. Lo in favour of the Company and the Underwriter
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Board, based on opinions provided by legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s)
“Optionholder(s)”	holder(s) of the Share Option(s)

“Other Directors’ Undertaking”	the irrevocable undertaking letter dated 24 January 2017 executed by each of the Directors, except for Mr. Lo, in favour of the Company and the Underwriter
“Other Optionholder(s)”	holder(s) of the Share Option(s), except for the Directors
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	collectively, the Prospectus, the PAL(s) and the EAF(s)
“Prospectus Posting Date”	the date for the despatch of the Prospectus Documents or the Prospectus only (as the case may be) to the Shareholders, which is currently expected to be on or around Monday, 6 March 2017 or such other date as the Company may agree with the Underwriter in writing
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date
“Record Date”	Friday, 3 March 2017 (or such other date as the Company may agree with the Underwriter in writing), the record date to determine the entitlements of the Shareholders to participate in the Rights Issue
“Registrar”	Tricor Abacus Limited, the branch share registrar and transfer office of the Company in Hong Kong

“Rights Issue”	the proposed issue of the Rights Shares at the Subscription Price on the basis of one (1) Rights Share for every two (2) existing Shares in issue and held on the Record Date by Qualifying Shareholders on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents, payable in full upon acceptance
“Rights Share(s)”	new Share(s) to be issued and allotted under the Rights Issue, being not less than 1,295,919,446 Shares and not more than 1,320,633,731 Shares
“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 prior to the Capital Reduction becoming effective and ordinary share(s) of HK\$0.01 each in the share capital of the Company thereafter
“Share Option(s)”	the share option(s) held by the holders under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 23 November 2011
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.18 per Rights Share
“Underwriter”	VMS Securities Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities for the purposes of the SFO

“Underwriting Agreement”	the underwriting agreement dated 24 January 2017 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	not less than 880,168,901 Rights Shares but not more than 904,883,186 Rights Shares, being all Rights Shares (excluding the Committed Shares) underwritten by the Underwriter pursuant to the Underwriting Agreement
“%”	percentage or per centum

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

Hong Kong, 24 January 2017

*As at the date of this announcement, the Board comprises six Directors including Mr. Lo Lin Shing, Simon and Mr. Ho Hau Chong, Norman as executive Directors, Mr. Lo Cze Kei, Rex as non-executive Director and Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank as independent non-executive Directors.*

*This announcement is made in English and Chinese. In case of any inconsistency, the English version shall prevail.*