

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.

This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company nor shall there be any sale, purchase or subscription for securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver. This joint announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

Mr. Lee Tak Lun



大唐投資國際有限公司*
GRAND INVESTMENT INTERNATIONAL LTD.
(incorporated in Bermuda with limited liability)
(Stock Code: 1160)

JOINT ANNOUNCEMENT

(1) CONDITIONAL MANDATORY CASH OFFER BY GRAND VINCO CAPITAL LIMITED ON BEHALF OF MR. LEE TAK LUN

**TO ACQUIRE ALL THE ISSUED SHARES OF
GRAND INVESTMENT INTERNATIONAL LTD.
(OTHER THAN THOSE ALREADY OWNED BY
MR. LEE AND PARTIES ACTING IN CONCERT WITH HIM)**

(2) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE

AND

(3) RESUMPTION OF TRADING

Financial Adviser to Mr. Lee Tak Lun

VINCO  城高

Grand Vinco Capital Limited

(A wholly-owned subsidiary of Vinco Financial Group Limited)

Independent financial adviser to the Independent Board Committee

VEDA | CAPITAL
智 略 資 本

* For identification purposes only

THE ACQUISITION

On 12 September 2013, the Offeror acquired 3,600,000 Shares off-market from an Independent Third Party, representing approximately 2.08% of the existing issued share capital of the Company, for a consideration of HK\$1,296,000 in cash.

CONDITIONAL MANDATORY CASH OFFER

Prior to the Acquisition, the Offeror and the parties acting in concert with him are interested in an aggregate of 51,160,000 Shares, representing approximately 29.61% of the existing issued share capital of the Company. As a result of the Acquisition, the Offeror and the parties acting in concert with him are interested in, owned, controlled or had direction over an aggregate of 54,760,000 Shares, representing approximately 31.69% of the existing issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror makes the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him).

Grand Vinco Capital Limited will, on behalf of the Offeror, make the Offer to acquire all the issued Shares (other than those already owned by the Offeror and the parties acting in concert with him) in compliance with the Takeovers Code on the following terms:

For each Offer Share..... HK\$0.36 in cash

The Offer is conditional upon the Offeror having received valid acceptances of the Offer which, together with the Shares already owned by the Offeror and the parties acting in concert with him before or during the Offer period, will result in the Offeror and parties acting in concert with him holding more than 50% voting rights of the Company.

The Offer Price of HK\$0.36 per Offer Share is determined on the basis of the consideration paid by the Offeror per Share under the Acquisition.

The principal terms of the Offer are set out in the section headed “Conditional mandatory cash offer” in this joint announcement.

On the basis of the Offer Price of HK\$0.36 per Offer Share and 172,800,000 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at HK\$62,208,000. Immediately after the Acquisition, the Offeror and parties acting in concert with him are interested in, owned, controlled or had direction over an aggregate of 54,760,000 Shares. Hence, 118,040,000 Offer Shares are subject to the Offer and are valued at HK\$42,494,400 on the basis of the Offer Price.

The financial resources of the Offeror to fund the Offer amounting to an aggregate of HK\$42,494,400 are financed by the personal resources of the Offeror and external banking facility. Grand Vinco Capital Limited has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

GENERAL

The Independent Board Committee comprising all of the non-executive Directors has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to its acceptance. With approval from the Independent Board Committee, the Company has appointed Veda Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offer and in particular as to whether the Offer is fair and reasonable and as to its acceptance.

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a composite offer document. In accordance with Rule 8.2 of the Takeovers Code, the composite offer document containing, among other things: (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, together with the relevant forms of acceptance and transfer, is required to be despatched to the Shareholders within 21 days of the date of this joint announcement (or such later date as the Executive may approve).

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the composite offer document, including the recommendations of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders and potential investors are also informed to note that the Offer is conditional upon fulfillment of the condition set out in “Condition of the Offer” below and should exercise caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 1:00 p.m. on 12 September 2013 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 25 September 2013.

THE ACQUISITION

On 12 September 2013, the Offeror acquired 3,600,000 Shares off-market from an Independent Third Party, representing approximately 2.08% of the existing issued share capital of the Company, for a consideration of HK\$1,296,000 in cash. The Acquisition has been completed on the same day and the seller ceases to hold any shares in the Company after the Acquisition.

CONDITIONAL MANDATORY CASH OFFER

Prior to the Acquisition, the Offeror and the parties acting in concert with him are interested in an aggregate of 51,160,000 Shares of the Company, representing approximately 29.61% of the existing issued share capital of the Company. Among the 51,160,000 Shares, Mr. Lee is interested in 50,160,000 Shares through his interests in a number of corporations, representing approximately 29.03% of the issued share capital of the Company. Winrex International Limited (“Winrex”) is interested in 1,000,000 Shares, representing approximately 0.58% of the issued share capital of the Company. As Dr. Lee Woo Sing, father of Mr. Lee, holds more than 90% of the issued share capital of Winrex, Winrex is deemed as a party acting in concert with Mr. Lee under the Takeovers Code. As a result of the Acquisition, the Offeror and the parties acting in concert with him are interested in, owned, controlled or had direction over an aggregate of 54,760,000 Shares of the Company, representing approximately 31.69% of the

existing issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with him).

On the basis of the Offer Price of HK\$0.36 per Offer Share and 172,800,000 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at HK\$62,208,000. Immediately after the Acquisition, the Offeror and parties acting in concert with him are interested in, owned, controlled or had direction over an aggregate of 54,760,000 Shares. Hence, 118,040,000 Offer Shares are subject to the Offer and are valued at HK\$42,494,400 on the basis of the Offer Price.

As at the date of this joint announcement, the Company has no outstanding options, warrants or convertible or exchangeable securities carrying rights to subscribe for, convert or exchange, into Shares.

Principal terms of the Offer

Grand Vinco Capital Limited will, on behalf of the Offeror, make the Offer to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with him) in compliance with the Takeovers Code on the following terms:

For each Offer Share. HK\$0.36 in cash

The Offer Price of HK\$0.36 per Offer Share is determined on the basis of the consideration paid by the Offeror per Share under the Acquisition.

The Offer Shares to be acquired under the Offer shall be fully paid or credited as fully paid and free from all liens, claims and encumbrances and with all rights attached to them including but not limited to the rights to receive all dividends and distribution declared, paid or made, if any, on or after the date of Acquisition.

Condition of the Offer

The Offer is conditional upon the Offeror having received valid acceptances of the Offer which, together with the Shares already owned by the Offeror and the parties acting in concert with him before or during the Offer period, will result in the Offeror and parties acting in concert with him holding more than 50% voting rights of the Company.

Comparison of value

The Offer Price of HK\$0.36 represents:

- (i) the same price as the closing price of HK\$0.36 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) the same price as the average of the closing price of HK\$0.36 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Day;
- (iii) the same price as the average of the closing price of HK\$0.36 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day; and
- (iv) a premium of approximately 24.14% over the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.29 per Share as at 31 March 2013 and based on 172,800,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

The closing prices of the Shares as quoted on the Stock Exchange during the period commencing six months preceding the commencement of the Offer period were remained at HK\$0.36 per Share throughout the period.

Value of the Offer

On the basis of the Offer Price of HK\$0.36 per Offer Share and 172,800,000 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at HK\$62,208,000. Immediately after the Acquisition, the Offeror and parties acting in concert with him are interested in, owned, controlled or had direction over an aggregate of 54,760,000 Shares. Hence, 118,040,000 Offer Shares are subject to the Offer and are valued at HK\$42,494,400 on the basis of the Offer Price.

Financial resources available for the Offer

The financial resources of the Offeror to fund the Offer amounting to an aggregate of HK\$42,494,400 are financed by the personal resources of the Offeror and external banking facility.

Grand Vinco Capital Limited has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, Shareholders will sell their Offer Shares to the Offeror free from all liens, claims and encumbrances and with all rights attached to them including but not limited to the rights to receive all dividends and distribution declared, paid or made, if any, on or after the date of Acquisition.

Dealings in the Company's securities

Save for the transactions under the Acquisition, none of the Offeror nor parties acting in concert with him has dealt in the Shares and any outstanding options, derivatives, warrants or other securities convertible into Shares during the period commencing six months preceding the date of the Acquisition i.e. 12 March 2013 and ending on the date of this joint announcement.

As at the date of this joint announcement, the Offeror and the parties acting in concert with him have not entered into any arrangements or contracts in relation to the outstanding derivatives in respect of securities in the Company.

Stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Shareholders at a rate of 0.1% of: (i) the market value of the Offer Shares; or (ii) consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror on behalf of relevant Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of relevant Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Subject to the Offer becoming unconditional, payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within 7 business days of the later of the date on which the Offer becomes, or is declared, unconditional and the date on which the relevant documents of title are received by the Offeror to render each such acceptance complete and valid pursuant to the Takeovers Code.

In the event that the Offer cannot be declared unconditional, the Offer will lapse and the Offeror will as soon as practicable thereafter return the Share certificates and/or any other documents of title lodged with the Forms of Acceptance by ordinary post to the Shareholders who would have accepted the Offer at their own risk.

Other arrangements

As at the date of this joint announcement, (i) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares and which might be material to the Offer; (ii) save for the transactions contemplated under the Acquisition, there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which he may or may not invoke or seek to invoke a pre-condition or a condition to the Offer; (iii) none of the Offeror nor parties acting in concert with him has received any irrevocable commitment to accept the Offer; and (iv) none of the Offeror nor parties acting in concert with him has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

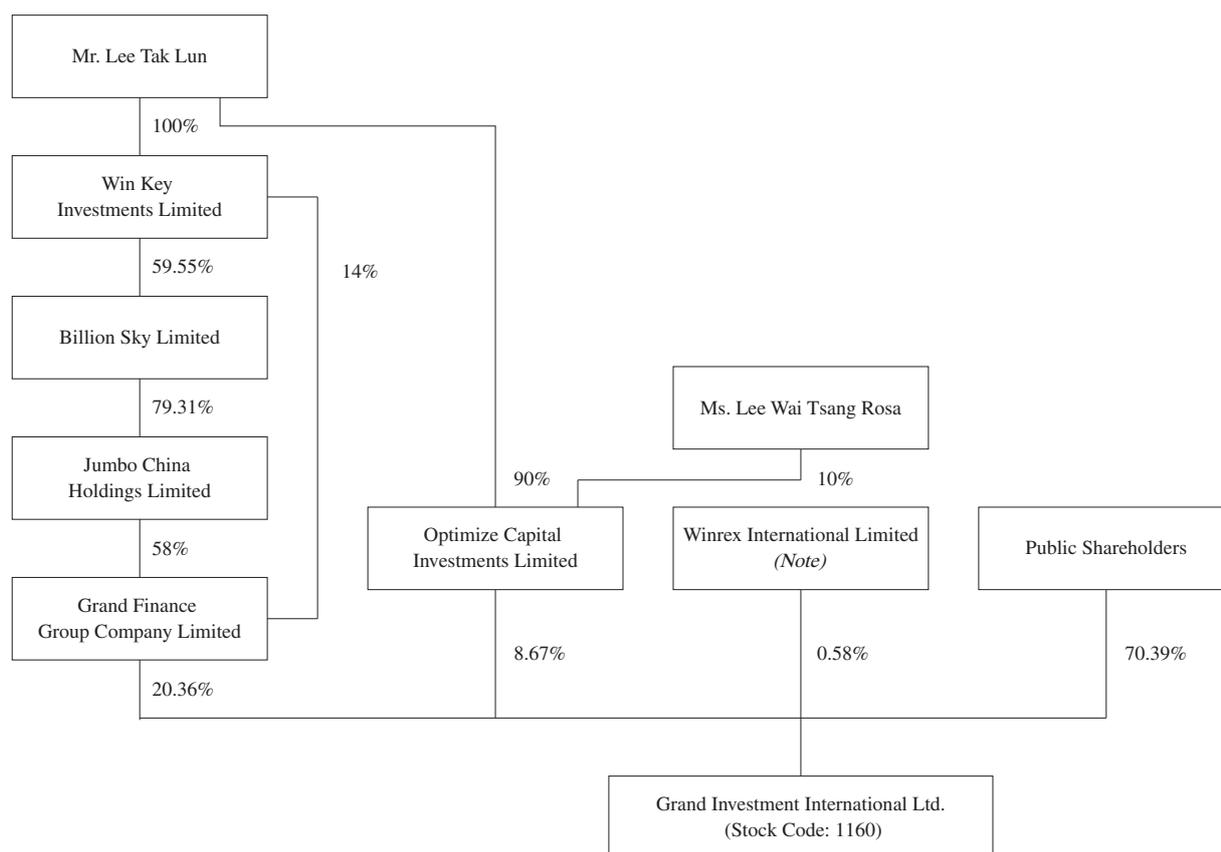
Overseas Shareholders

Shareholders who have registered addresses outside Hong Kong and wish to accept the Offer should satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer of other taxes due by such accepting Shareholders in respect of such jurisdiction).

SHAREHOLDING STRUCTURE OF THE COMPANY

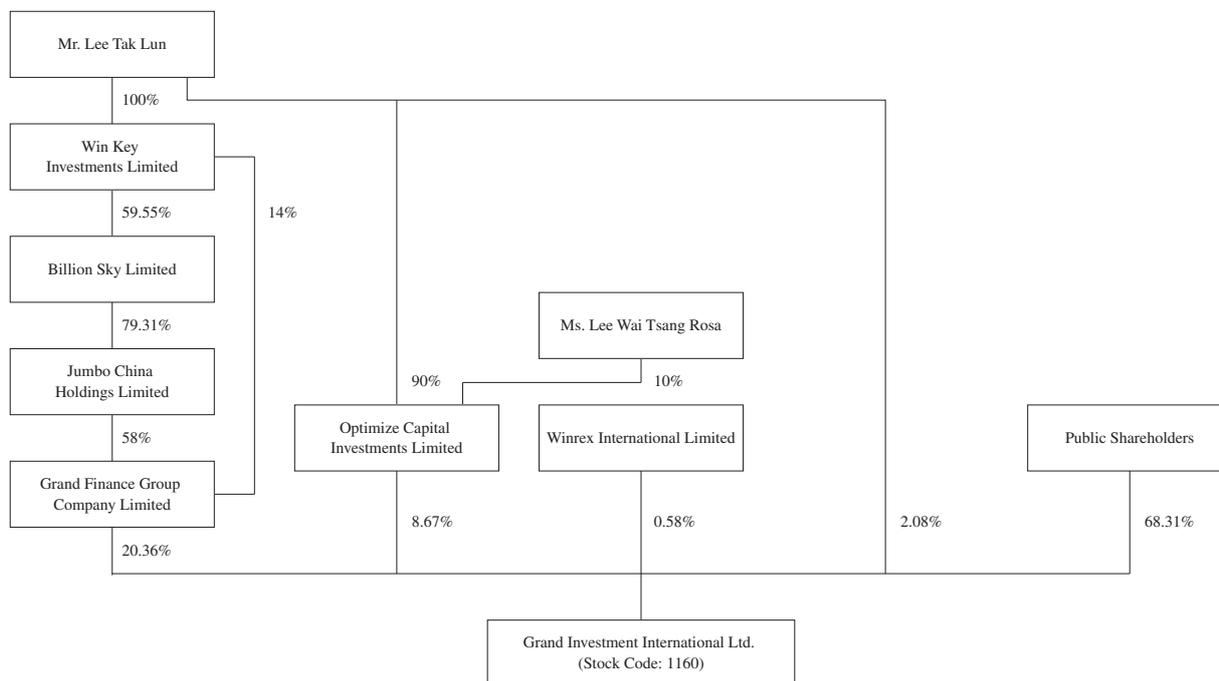
Set out below are the shareholding structures of the Company immediately before and after the Acquisition but before the Offer:

Shareholding structure of the Company immediately before the Acquisition:



Note: Winrex International Limited (“Winrex”) is a company incorporated in the British Virgin Islands. Dr. Lee Woo Sing, father of Mr. Lee, holds more than 90% of the issued share capital of Winrex and is accordingly taken to be interested in the Shares held by Winrex under Part XV of the SFO.

Shareholding structure of the Company immediately after the Acquisition but before the Offer:



INFORMATION ON THE OFFEROR

With over 30 years of experience in the financial industry, Mr. Lee is currently the Vice Chairman, Chief Executive Officer and substantial shareholder of Grand Finance Group Company Limited. Mr. Lee is currently registered as responsible officer with the SFC to conduct Regulated Activities 1, 2, 4, 5, 6, and 9. Mr. Lee is a Honorary Permanent President of the Chinese Gold & Silver Exchange Society, Member of the National Committee of Chinese People’s Political Consultative Conference. He was awarded Bronze Bauhinia Star (B.B.S.) by The Government of the HKSAR in 2012. As at the date of this joint announcement, Mr. Lee is indirectly and beneficially interested in approximately 53,760,000 Shares, representing approximately 31.11% of the total issued Shares. Mr. Lee is also the father of Ms. Lee Wai Tsang Rosa, the Chairman and an executive Director of the Company and Mr. Lee Wai Wang Robert, an executive Director of the Company. Winrex is interested in 1,000,000 Shares, representing approximately 0.58% of the issued share capital of the Company. As Dr. Lee Woo Sing, father of Mr. Lee, holds more than 90% of the issued share capital of Winrex, Winrex is deemed as a party acting in concert with Mr. Lee under the Takeovers Code.

INFORMATION ON THE COMPANY

The Company is an investment company incorporated in Bermuda with limited liability and is principally engaged in the investment of listed and unlisted enterprises established in Hong Kong, the PRC and Macau.

The Company is an investment company listed under Chapter 21 of the Listing Rules.

The financial information of the Company, as extracted from its annual reports for the years ended 31 March 2011, 2012 and 2013 is as follows:

	For the year ended 31 March 2013 (audited) <i>HK\$'000</i>	For the year ended 31 March 2012 (audited) <i>HK\$'000</i>	For the year ended 31 March 2011 (audited) <i>HK\$'000</i>
Revenue	1,003	250	44
Loss before tax	(2,289)	(1,648)	(1,182)
Total assets	51,016	53,292	54,967
Total liabilities	184	171	198
Net assets	50,832	53,121	54,769

OFFEROR'S INTENTION ON THE COMPANY

It is the intention of the Offeror that the Company will continue with its existing principal businesses. The Offeror does not intend to introduce any major changes to the existing operations and business of the Company immediately after the Offer. The Offeror has no intention to discontinue the employment of any employees (or change the composition of the Board) or to dispose of or deploy any assets of the Company other than those in its ordinary course of business. As at the date of this joint announcement, the Offeror has no intention or plan for any acquisition or disposal of assets and/or business by the Company.

MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer and will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offer to ensure that a sufficient public float exists for the Shares.

The Stock Exchange has stated that if, upon the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the issued Shares are held by the public or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares.

GENERAL

The Independent Board Committee and the Independent Financial Adviser

The Independent Board Committee comprising all the non-executive Directors has been established to advise the Independent Shareholders in respect of the Offer, in particular as to whether the Offer is, or is not, fair and reasonable and as to its acceptance. With approval from the Independent Board Committee, the Company has appointed Veda Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Offer and in particular as to whether the Offer is fair and reasonable and as to its acceptance.

Despatch of the composite offer document

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a composite offer document. In accordance with Rule 8.2 of the Takeovers Code, the composite offer document containing, among other things: (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, together with the relevant forms of acceptance and transfer, is required to be despatched to the Shareholders within 21 days of the date of this

joint announcement or such other date as may be permitted by the Takeovers Code and agreed by the Executive and compliance with the requirements of the Takeovers Code and other applicable regulations.

Dealings disclosure

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code) of the Company and the Offeror (including persons who own or control 5% or more of any class of relevant securities issued by the Company) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediates are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediates will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

“Board”	the board of Directors
“Company”	Grand Investment International Ltd. (大唐投資國際有限公司), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors, namely Mr. Lu Fan, Dr. Zhang Hongru, Dr. Chow Yunxia, Carol and Mr. Lam Chi Wai, established to give recommendation to the Independent Shareholders regarding the terms of the Offer
“Independent Financial Adviser”	Veda Capital Limited, a licensed corporation registered under the SFO to carry out Type 6 (advising on corporate finance) registered activities as defined in the SFO
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with him
“Mr. Lee” or “Offeror”	Mr. Lee Tak Lun who is indirectly and beneficially interested in approximately 53,760,000 Shares, representing approximately 31.11% of the total issued Shares as at the date of this joint announcement

“Last Trading Day”	12 September 2013, being the last trading day of the Shares immediately prior to the suspension of trading in the Shares on the Stock Exchange at 1:00 p.m. on 12 September 2013
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the conditional mandatory cash offer to be made by Grand Vinco Capital Limited for and on behalf of the Offeror for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him) pursuant to Rule 26.1 of the Takeovers Code
“Offer Price”	the price at which the Offer will be made, being HK\$0.36 per Offer Share
“Offer Share(s)”	issued Share(s) other than those already owned by the Offeror and parties acting in concert with him
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFC”	the Securities and Futures Commission
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Takeovers Code”	the Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

Mr. Lee Tak Lun

By Order of the Board
Grand Investment International Ltd.
Lee Wai Tsang, Rosa
Chairman and Executive Director

Hong Kong, 24 September 2013

As at the date of this joint announcement, the Board comprises seven Directors of the Company, of which three are executive Directors, namely Ms. Lee Wai Tsang Rosa (Chairman), Dr. Huang Zhijian and Mr. Lee Wai Wang, Robert and four are independent non-executive Directors, namely Mr. Lu Fan, Dr. Zhang Hongru, Dr. Chow Yunxia, Carol and Mr. Lam Chi Wai.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with him), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Company) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.