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LERADO GROUP (HOLDING) COMPANY LIMITED

(隆成集團(控股)有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

GENERAL DISCLOSURE UNDER RULE 13.09 OF THE LISTING RULES FILING OF THE TAIWAN DEPOSITARY RECEIPTS

This announcement is made in compliance with the disclosure requirement under Rule 13.09 of the Listing Rules.

Reference is made to the announcement of the Company dated 8 November 2009, the Board is pleased to announce that on 11 December 2009, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing 100,000,000 New Shares to be issued by the Company on the Taiwan Stock Exchange. The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

It is expected that the New Shares will be issued under the General Mandate and therefore no Shareholders' approval will be required.

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

The TDR Issue is subject to approvals by the relevant authorities in Taiwan. There is no assurance that such approvals will be granted and the TDR Issue may or may not proceed. Accordingly, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE TDR ISSUE

The Board is pleased to announce that on 11 December 2009, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing 100,000,000 New Shares to be issued by the Company on the Taiwan Stock Exchange.

The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

It is currently proposed that the TDR will be offered in Taiwan by way of offer for subscription by the public in Taiwan and to selected institutional and individual investors in Taiwan. None of the TDR will be offered to the general public in Hong Kong nor will they be placed to any connected persons of the Group.

Details of the expected timetable have not yet been finalised as at the date of this announcement. A further announcement will be made by the Company on the progress of the TDR Issue.

The proposed structure of the TDR Issue is as follows:

Type of securities to be issued : TDR, to be issued by a depositary bank in Taiwan evidencing the entitlement of the holders of TDR to the Shares that are held in custody by a custodian bank.

Number of TDR to be issued : 100,000,000 units of TDR, each representing one Share. The final number of TDR to be issued and offered and the structure of the TDR Issue shall be subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board and the underwriters of the TDR Issue.

Number of Shares to which the TDR Issue relates : 100,000,000 New Shares, which are expected to be allotted and issued by the Company under the General Mandate.

The aggregate of the 100,000,000 Shares involved in the TDR Issue represent (i) approximately 13.49% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 11.89% of the enlarged issued share capital of the Company following the issue of the 100,000,000 New Shares under the TDR Issue.

The New Shares will rank pari passu in all respects with the Shares then in issue on the date of issue of the New Shares.

Basis for determining the issue price of the TDR : Subject to the requirements in Rule 13.36(5) of the Listing Rules, the issue price of the TDR will be agreed in writing between the Company and Sinopac Securities Corporation of Taiwan, the underwriter for the TDR Issue, and is expected to be determined with reference to the then prevailing market conditions, the closing price of the Shares, the industry conditions at the time of the TDR Issue, the performance of the Company as well as and conditions for future development of the Company's business.

Use of proceeds : The Board intends to use the net proceeds from the TDR Issue as follow:
- around 50% of the amount to finance the establishment of additional production facilities for capacity expansion;
- the remaining of the amount to finance the development of retailing infant products in China.

The issue price for the TDR Issue, if proceeded with, and the amount of funds to be raised from the TDR Issue have not been fixed as at the date of this announcement.

Listing applications : Application will be made to the Taiwan Stock Exchange and the Taiwan Central Bank for the listing of the TDR on the Taiwan Stock Exchange. Application will also be made to the Taiwan Securities and Futures Bureau for the TDR Issue after the grant of approvals thereof by the Taiwan Stock Exchange and the Taiwan Central Bank.

An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

REASONS FOR AND BENEFITS OF THE TDR ISSUE

The Directors are of the view that the TDR Issue will be the most appropriate method of raising extra funds for the Group's future business development having taken into account the Group's current working capital requirement, the prevailing market conditions and the cost involved in the TDR Issue when compared with other means of fund raising exercises.

The Directors believe that the TDR is an attractive alternative for international investors, particularly potential investors in Taiwan, to invest and deal in the Shares which will broaden and diversify the shareholder base of the Company and provide an additional fund-raising platform for the Group. The Directors consider that the TDR Issue will also increase the public awareness of the Group and will promote the Group's corporate image internationally, which will enhance its competitiveness and be beneficial to the Group's overall business development and is therefore in the best interests of the Shareholders as a whole.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the TDR Issue based on the assumption that an aggregate of 100,000,000 New Shares will be issued pursuant to the TDR Issue and there shall be no change in the Company's share capital prior to the completion of the TDR Issue:

Name of Shareholder	As at the date of this announcement		Immediately after completion of the TDR Issue	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Huang Ying Yuan and Huang Chen Li Chu (<i>Note 1</i>)	152,553,540	20.58	152,553,540	18.13
Chen Chun Chieh (<i>Note 2</i>)	97,123,800	13.10	97,123,800	11.54
Franklin Templeton Investment Corporation	50,206,032	6.77	50,206,032	5.97
Commerzbank AG	43,595,000	5.88	43,595,000	5.18
TDR holders	-	-	100,000,000	11.89
Other public Shareholders	397,818,352	53.67	397,818,352	47.29
Total:	741,296,724	100.00	841,296,724	100.00

Notes:

1. Mr. Huang Ying Yuan and Ms. Huang Chen Li Chu are executive Directors. Ms. Huang Chen Li Chu is the spouse of Mr. Huang Ying Yuan and the shareholding of Ms. Huang Chen Li Chu is also deemed to be held by Mr. Huang Ying Yuan under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). .
2. There is a corporate interest of 96,805,800 shares held by Hwa Foo Investment Limited, which is controlled by Mr. Chen Chun Chieh. Mr. Chen Chun Chieh is an executive Director.

As at the date of this announcement, save for the 11,546,000 options granted under the Share Option Scheme, the Company has no outstanding convertible securities or options which are convertible into Shares.

GENERAL MANDATE

By a resolution of the Shareholders passed at the annual general meeting held on 19 June 2009, the Company granted the General Mandate to the Directors to allot and issue up to 145,362,944 Shares, being 20% of the number of Shares of the Company in issue as at 19 June 2009, the date of the passing of the resolution, to be extended by an amount representing the aggregate number of Shares repurchased by the Company during the relevant period of the General Mandate (if any). The Directors have not exercised the power to allot and issue any new Shares pursuant to the General Mandate granted. It is expected that the New Shares will be issued under such General Mandate and thus no Shareholders' approval is required. The New Shares will represent approximately 69% of the General Mandate.

FUND RAISING IN THE PAST 12 MONTHS

The Company has not carried out any capital fund raising activities during the 12 months immediately preceding the date of this announcement.

GENERAL

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. There is also no assurance that the approval for the TDR Issue and the listing of the TDR on the Taiwan Stock Exchange by the Relevant Authorities and/or the listing of the New Shares on the Hong Kong Stock Exchange will be granted. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

The TDR Issue is subject to approvals by the relevant authorities in Taiwan. There is no assurance that such approvals will be granted and the TDR Issue may or may not proceed. Accordingly, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms will have the following meaning:

“Board”	board of Directors
“Company”	Lerado Group (Holding) Company Limited, an exempted company incorporated in Bermuda with limited liabilities whose shares are listed on the Hong Kong Stock Exchange

“connected persons”	has the meaning as ascribed to it under the Listing Rules
“Directors”	directors of the Company
“General Mandate”	the general mandate granted to the Directors to allot and issue Shares pursuant to a resolution of the Shareholders of the Company passed at the annual general meeting held on 19 June 2009
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong Special Administrative Region
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“New Shares”	new Shares proposed to be issued as underlying securities for the purpose of the TDR Issue
“Relevant Authorities”	the Taiwan Central Bank, the Taiwan Stock Exchange and the Taiwan Securities and Futures Bureau
“Shareholders”	holders of Shares
“Share Option Scheme”	the share option scheme of the Company adopted on 30 May 2002
“Shares”	ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Taiwan Central Bank”	The Central Bank of the Republic of China
“Taiwan Securities and The Futures Bureau”	Taiwan Financial Supervisory Commission, Securities and Futures Bureau
“Taiwan Stock Exchange”	Taiwan Stock Exchange Corporation
“TDR”	the Taiwan depositary receipts proposed to be issued by a depositary bank in Taiwan pursuant to the TDR Issue
“TDR Issue”	the proposed issue of 100,000,000 units of TDR (representing 100,000,000 New Shares as underlying securities), subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board
“%”	percentage

By Order of the Board
Lerado Group (Holding) Company Limited
Huang Ying Yuan
Chairman

Hong Kong, 11 December 2009

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Huang Ying Yuan, Mr. Yang Yu Fu, Ms. Huang Chen Li Chu and Mr. Chen Chun Chieh being the Executive Directors, and Mr. Lim Pat Wah Patrick, Mr. Huang Zhi Wei and Mr. Chern Shyh Feng being the Independent Non-executive Directors.

** For identification purpose only*