GRANDE

THE GRANDE HOLDINGS LIMITED
嘉域集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

ANNOUNCEMENT
INSIDE INFORMATION
AND
RESUMPTION OF TRADING

INSIDE INFORMATION

References are made to the announcements of The Grande Holdings Limited (the "**Company**") dated 10 August 2016 and 19 May 2017 (the "**Announcements**") and the interim report of the Company for the six months ended 30 June 2016 (the "**Interim Report**"). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise defined.

It was stated in the Announcements and the Interim Report that the Company has recorded a gain on discharge of liabilities amounting to HK$2,636 million (the "**Gain**") in the net profit attributable to shareholders of the Company. The board of directors (the "**Board**") of the Company was recently notified by and is in discussion with the auditor of the Company, Moore Stephens CPA Limited, who is currently conducting the audit of the consolidated financial statements for the fifteen months ended 31 March 2017 of the Company and its subsidiaries (collectively, the "**Group**"), about the accounting treatment of the Gain. In particular, whether HK$2,055 million that was attributable to the former major creditor of the Company should be treated as an equity contribution rather than through the consolidated income statement. If such HK$2,055 million is to be treated as an equity contribution, while it does not have any effect on the net assets position of the Group, it will have significant impact on the profit for the six months ended 30 June 2016 as stated in the Interim Report and the financial results for the fifteen months ended 31 March 2017 of the Group which are to be announced on or before 30 June 2017.

The Company will issue an announcement to inform the shareholders and potential investors of the progress as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") was halted with effect from 9:10 a.m. on 2 June 2017 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 5 June 2017.

By Order of the Board
The Grande Holdings Limited
Francis Hui
Company Secretary

Hong Kong, 2 June 2017

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely, Mr. Duncan Hon Tak Kwong, Mr. Michael Andrew Barclay Binney and Mr. Manjit Singh Gill, one non-executive director, Mr. Eduard William Rudolf Helmuth Will and three independent non-executive directors, namely, Mr. James Mailer, Mr. Lau Ho Kit, Ivan and Mr. Chen Xiaoping.