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GRANDE

THE GRANDE HOLDINGS LIMITED

嘉域集團有限公司

(Provisional Liquidators Appointed)

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

(Stock Code: 186)

PROFIT WARNING

This announcement is made by The Grande Holdings Limited (Provisional Liquidators Appointed) (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

The provisional liquidators of the Company (the “**Provisional Liquidators**”) and the board of directors of the Company (the “**Board**”) wish to jointly inform the shareholders of the Company and potential investors that it is expected that the Group will record a substantial loss for the six months ended 30 June 2011. Such loss was primarily attributable to (i) the finance costs and administrative expenses incurred by the Company in association with the discharge of all its obligations under the settlement agreement entered into with Akai Holdings Limited (in compulsory liquidation) as referred to in the Company’s announcements dated 16 October 2009, 24 November 2010 and 1 February 2011; and (ii) the provision for legal claims in relation to the legal proceedings in the United States of America as referred to in the Company’s announcement dated 24 May 2011.

Notwithstanding the loss arising from the aforesaid issues, the Board and the Provisional Liquidators are of the view that the loss does not affect the Group’s existing business and its normal operation. The Group is operating its branded distribution business as usual.

The Provisional Liquidators and the Company are currently in negotiation with a potential investor with a view to entering into a Restructuring Agreement as referred to in the Company’s announcement dated 26 July 2011, amongst which, to seek arrangement(s) with the Company’s creditors for an amicable settlement of the existing indebtedness.

The information contained in this announcement is based on the unaudited management accounts and information of the Group. The interim results of the Group for the six months ended 30 June 2011 is expected to be published by the end of August 2011.

Trading in the shares of the Company has been suspended since 9:00 a.m. on 30 May 2011 at the request of the Company and will remain suspended until further notice.

For and on behalf of
The Grande Holdings Limited
(Provisional Liquidators Appointed)

Fok Hei Yu

and

Roderick John Sutton

Joint and Several Provisional Liquidators

By order of the Board
The Grande Holdings Limited
(Provisional Liquidators Appointed)
Ho Wing On, Christopher
Chairman

Hong Kong, 4 August 2011

At the date of this announcement, the Board of Directors of the Company comprises: Mr. Ho Wing On Christopher, Mrs. Asprey Lai Shan Christine and Mr. Hon Tak Kwong as executive directors and Mr. Martin Ian Wright as independent non-executive director.