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**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)**

**PROFIT ALERT ANNOUNCEMENT**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that it is expected that the results of the Group for the six months ended 30 June 2016 will turnaround from a net loss attributable to the Shareholders for the corresponding period in 2015 to a net profit attributable to the Shareholders.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by The Grande Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group and other information currently available, the Group’s results for the six months ended 30 June 2016 are expected to turnaround from a net loss attributable to the Shareholders for the corresponding period in 2015 to a net profit attributable to the Shareholders.

The net profit attributable to the Shareholders mainly results from a gain of approximately HK\$2,636 million arising from the settlement of the Company’s scheme creditors through the schemes of arrangement and offset partially by an impairment loss of approximately HK\$192 million in respect of the trademark of Emerson Radio Corp. (“**Emerson**”), a 56.2% owned subsidiary of the Company, having its shares listed on the NYSE Alternext of United States of America (formerly the American Stock Exchange of United States of America), during the first half of 2016.

### **Gain Arising from Settlement of Scheme Creditors**

The gain of approximately HK\$2,636 million is as a result of the settlement of the Company’s scheme creditors amounting to a book value of HK\$3,080 million who were fully settled by cash of HK\$106 million together with the issue of 3,881 million ordinary shares of the Company. It was fully disclosed in the Shareholders’ circular dated 9 March 2016 that such a gain would arise, although the specific amount could not be determined at that point in time.

### **Impairment against Emerson Trademark**

In light of the loss of a major licensee in the coming year and the significant decrease in the distribution of household appliances and products of Emerson during the six-month period ended on 30 June 2016, the management of the Company had decided to perform an independent professional valuation of the Emerson trademark as of 30 June 2016. Based on the finalised valuation report dated 10 August 2016, this results in a write-down in the value of the trademark carried in the consolidated accounts of the Group of approximately HK\$192 million as at 30 June 2016.

As the interim results of the Group for the six months ended 30 June 2016 have not yet been finalized, the information contained in this announcement represents only a preliminary assessment by the Board with reference to the latest unaudited consolidated management accounts of the Group and other information currently available, and is not based on any figures or information that have been reviewed by the audit committee of the Company. Should any accounting issues which may cause significant impact on the interim results of the Group for the six months ended 30 June 2016 be further identified and confirmed by the management of the Company and the Board, the Company will make further announcement if there is any updated development. The unaudited interim results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the unaudited consolidated interim results announcement of the Group for the six months ended 30 June 2016, which is expected to be released before the end of August 2016.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**The Grande Holdings Limited**  
**Tang Hoi Nam**  
*Chairman and Executive Director*

Hong Kong, 10 August 2016

*As at the date of this announcement, the board of directors of the Company comprises four executive directors, namely, Mr. Tang Hoi Nam, Mr. Duncan Hon Tak Kwong, Mr. Eduard William Rudolf Helmuth Will and Mr. Manjit Singh Gill, and three independent non-executive directors, namely, Mr. James Mailer, Mr. Lau Ho Kit, Ivan and Mr. Chen Xiaoping.*