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Vision Fame International Holding Limited **允升國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1315)

INSIDE INFORMATION **MEMORANDUM OF UNDERSTANDING**

This announcement is made by Vision Fame International Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and disclosure of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors of the Company (the “**Director(s)**”) is pleased to announce that, on 20 October 2015 (after trading hours), the Company and Mr. Dai Jia Long (“**Mr. Dai**”) entered into the memorandum of understanding (the “**MOU**”) in relation to the potential investment opportunities regarding the commercialisation of graphene production involving possible issue of new shares and the grant of share options of the Company.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Mr. Dai is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Subject matter

For the reasons stated in the paragraph headed “Reasons for the MOU” below, the Company wishes to explore new investment opportunities in the production of graphene. The Board has been informed that Mr. Dai is the inventor of certain patents and possesses certain technical know-how of achieving mass production of graphene (collectively, the “**Know-how**”). The Company and Mr. Dai would like to cooperate with each other in the development of the production of graphene based on the Know-how possessed by Mr. Dai (the “**Proposed Business**”) and have, therefore, entered into the MOU to set out the framework for further discussion regarding the Proposed Business.

It is intended that the Group will own and have the sole and exclusive right to use the Know-how relating to the Proposed Business and Mr. Dai will assist the Group in applying the Know-how in the commercial production of graphene. The Company will, subject to compliance with applicable rules and regulations, consider issuing new shares and granting share options to Mr. Dai.

Formal documentation in relation to the Proposed Business

Pursuant to the MOU, the Company and Mr. Dai agree to negotiate in good faith with each other to finalise the terms and conditions of their cooperation for the Proposed Business with a view to entering into legally binding documentation within three months from the date of the MOU.

Exclusivity

Under the MOU, Mr. Dai has granted to the Company an exclusivity period of three months from the date of the MOU within which Mr. Dai undertakes not to solicit or hold any discussion or execute any agreement with any party other than the Group regarding the Proposed Business or any similar transaction. Mr. Dai further undertakes to provide such documents and information reasonably required by the Group for its due diligence on the Know-how.

Save for the aforesaid exclusivity provision and the provisions relating to the governing law and confidentiality, the MOU is not legally binding.

Reasons for the MOU

The Group is principally engaged in (a) building construction; (b) property maintenance; (c) alterations, renovation, upgrading and fitting-out works; (d) property development and provision of related management and advisory services; and (e) trading of commodities. As mentioned in the annual report of the Company for the year ended 31 March 2015, the Board would like to explore new investment opportunities that could provide promising returns and prospects in long term for the Group.

Graphene might be the strongest and thinnest material known to exist in nature. The material is also found to have other properties, including good elasticity, light weight, exceptionally high electronic and thermal conductivities, bacteriostasis, memory function and impermeability. While the material was discovered a decade ago, it started to gain attention in 2010 when two physicists were awarded the Nobel Prize for their experiments with it. More recently, researchers have zeroed in on how to commercially produce graphene. From 2010 to 2014, the number of published patents relating to graphene worldwide displayed a remarkable increase of 802%. Amid the enhancing global sentiment for graphene-related technologies, the People's Republic of China (the "PRC") has demonstrated its profoundly keen interest in the field with currently almost half of the graphene-related patents having originated from the country.

The PRC government has also shown its commitment and support to the development of the graphene business in the country. In May 2015, the Ministry of Industry and Information Technology of the PRC promulgated that it decided to, among other things, formulate industry development plan, provide guidance on formation of industry alliance, and promote establishment of innovation platforms. Further, the "Made in China 2025" plan promulgated by the PRC government has also listed graphene as one of the new materials to be substantially developed.

Taking into account the industry outlook as aforesaid, coupled with the Know-how possessed by Mr. Dai, the Board considers that the Proposed Business represents a prime opportunity for the Group to tap into this new business segment and explore additional revenue source, and is beneficial to the business of the Group in the long term.

With a view to financing the Proposed Business, the Company may carry out one or more fund raising activity(ies) by way of equity or debt financing whichever the Board considers suitable, subject to compliance with applicable rules and regulations.

The Board wishes to emphasise that the Proposed Business is subject to the execution of certain legally binding documentation by the relevant parties thereto and therefore, the Proposed Business may or may not proceed. Further announcement(s) in respect of the Proposed Business and/or any fund raising activity(ies) that may or may not be carried out by the Company will be made by the Company as and when appropriate in accordance with the Listing Rules.

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

By order of the Board
Vision Fame International Holding Limited
Chau Chit
Chairman

Hong Kong, 20 October 2015

As at the date of this announcement, the Board consists of three executive Directors, namely Mr. Chau Chit, Mr. Hu Baoyue, and Mr. Kwan Ngai Kit; one non-executive Director, namely Mr. Chen Guobao; and three independent non-executive Directors, namely Mr. Tam Tak Kei Raymond, Mr. Wong Kai Tung Simon and Mr. Wong Wai Kwan.