

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

- 1) Resignation of Acting Chief Executive Officer**
- 2) Appointment of executive Director and Co-Chairman of the Board**
- 3) Appointment of Chief Executive Officer**
- 4) Roles and Responsibilities of the Co-Chairmen and Chief Executive Officer and Implications on Code Provisions in the Code of Corporate Governance Practice**
- 5) Change of composition of committees of the Board**

The Board of the Company would like to announce that with effect from 1 March 2017:

RESIGNATION OF ACTING CHIEF EXECUTIVE OFFICER

Mr. Hu Baoyue (“**Mr. Hu**”) has tendered his resignation as the acting chief executive officer of the Company due to the plan of pursuing his personal career development. Mr. Hu has confirmed that he has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the shareholders of the Company.

APPOINTMENT OF EXECUTIVE DIRECTOR AND CO-CHAIRMAN OF THE BOARD

Mr. Dai Jialong (“**Mr. Dai**”) has been appointed as an executive Director and the Co-Chairman of the Board. Biographies of Mr. Dai are set out below:

Mr. Dai, aged 55, graduated from 山西經濟專修學院 (Shanxi Economics Majors School*) in international economics and trading (國際經濟與貿易專業). He was appointed as a consultant and chief technology officer of the Company on 3 February 2016. Mr. Dai has extensive knowledge in two-dimensional material production technology and has experience in developing relevant equipment. Mr. Dai is an expert in producing artificial mica (a two-dimensional material similar to graphene) and has invented as many as 50 patents relating to artificial mica. He is the Chairman of China Crystal New Material Holdings Co., Ltd (a company listed on Korea Exchange, stock code: 900250) and executive director of Yat Shing Holdings Limited (a company listed on the Stock Exchange, stock code: 3708). Mr. Dai is also an executive director of China Non-Metallic Minerals Industry Association (“**CNMIA**”) and is the vice president of the Professional Committee of Mica under CNMIA. Building on his knowledge in two-dimensional material, Mr. Dai has also been studying graphene and conducting researches relating to graphene production method.

Save as disclosed above, Mr. Dai (i) has not previously held any other position with the Company or its subsidiaries; (ii) has not held any other directorships in any public companies listed on the Stock Exchange or any other securities market in the last three years and (iii) does not have any other major appointments or professional qualifications. Mr. Dai is independent of and not connected with any directors, senior management or substantial or controlling shareholders of the Company or any of their associates (as defined in the Listing Rules).

As at the date hereof, Mr. Dai holds 730,000,000 shares of the Company, representing 12.17% of the issued share capital of the Company. Save as disclosed above, Mr. Dai does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (as defined under Part XV of the SFO).

Mr. Dai has entered into a director's service agreement with the Company as an executive Director for a term commencing from 1 March 2017 until the conclusion of the 2017 annual general meeting of the Company, which may be terminated by either the Company or Mr. Dai by giving six months' written notice or otherwise in accordance with the terms of the director's service agreement. According to the articles of association of the Company, Mr. Dai shall be eligible for re-election at the 2017 annual general meeting of the Company.

Pursuant to the director's service agreement, Mr. Dai is entitled to an annual remuneration of HK\$2,400,000. The amounts were determined having considered the experience, duties and responsibilities of Mr. Dai and the prevailing market rate of companies of comparable size and similar operation.

There are no matters concerning Mr. Dai's appointment that need to be brought to the attention of the shareholders of the Company nor is there any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Upon the appointment of Mr. Dai as a Co-Chairman of the Board, Mr. Chau Chit ("**Mr. Chau**") has been re-designated from the position of Chairman to Co-Chairman of the Board with effect from 1 March 2017.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Mr. Chau has been appointed as the chief executive officer of the Company. Biographies of Mr. Chau are set out below:

Mr. Chau, aged 52, was appointed as an executive Director of the Company on 22 July 2015. He was also appointed as the Chairman of the Board on 23 September 2015 and re-designated to Co-Chairman of the Board on 1 March 2017. Mr. Chau is the chairman of the nomination committee and a member of the remuneration committee of the Company. Mr. Chau is one of the authorised representatives of the Company. Mr. Chau is also the director of certain subsidiaries of the Company. Mr. Chau currently serves as the chairman of the Hong Kong Jiangyin Trade Association and the vice president of Federation of HK Jiangsu Community Organisations Limited. He holds a bachelor degree in Chemistry from Zhejiang University and an EMBA degree (Executive Master of Business Administration) from

Zhejiang University. Mr. Chau has extensive experience in operation management. He has been an executive director of Jimei International Entertainment Group Limited (a company listed on the Stock Exchange, stock code: 1159) since 22 July 2013. Mr. Chau held the positions of executive director, managing director, and chairman of the executive committee and member of the investment committee of HNA International Investment Holdings Limited (a company listed on the Stock Exchange, stock code: 0521) from June 2006 to October 2013.

Save as disclosed above, Mr. Chau (i) has not previously held any other position with the Company or its subsidiaries; (ii) has not held any other directorships in any public companies listed on the Stock Exchange or any other securities market in the last three years and (iii) does not have any other major appointments or professional qualifications. Mr. Chau is independent of and not connected with any directors, senior management or substantial or controlling shareholders of the Company or any of their associates (as defined in the Listing Rules).

As at the date of this announcement, Mr. Chau is deemed to hold 1,000,000,000 shares, representing 16.67% of the issued share capital of the Company, the shares are held by Mega Start Limited and Mr. Chau beneficially owns the entire issued share capital of Mega Start Limited. The interest in 1,000,000,000 Shares comprises (i) 600,000,000 shares and (ii) 400,000,000 conversion shares of a convertible bond of the Company. Save as disclosed above, Mr. Chau does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (as defined under Part XV of the SFO).

There are no matters concerning Mr. Chau's appointment that need to be brought to the attention of the shareholders of the Company nor is there any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

ROLES AND RESPONSIBILITIES OF THE CO-CHAIRMEN AND CHIEF EXECUTIVE OFFICER AND IMPLICATIONS ON CODE PROVISIONS IN THE CODE OF CORPORATE GOVERNANCE PRACTICE

Mr. Chau was the Chairman of the Board since 2015 and was primarily responsible for the management of the Board, including but not limited to, providing leadership to the Board and ensuring that the Board works effectively and performs its responsibilities.

Upon the resignation of Mr. Hu as the acting chief executive officer, Mr. Chau was appointed as the chief executive officer of the Company, carrying out executive functions including the business planning, formulation of strategies, day-to-day business and operations management of the Group.

Following the above, the Company re-designated Mr. Chau and appointed Mr. Dai as the Co-Chairmen of the Board, with the aim to maintain the balance of power and authority of the Board. The Co-Chairmen shall act together to carry out and share the responsibilities of the role of the chairman of the Company. When a Co-Chairman proposed any matters to be considered in a Board meeting, the other Co-Chairman shall be responsible for, amongst other things, drawing up and approving the agenda for

such Board meeting, preside the Board meeting and encouraging all directors to make a full and active contributions to the Board's affairs to ensure that Board decisions fairly reflect Board consensus and the Board acts in the best interests of the Group.

Part A.2 of the CG Code set out the principle and code provision of the chairman and chief executive. It stipulated that there should be a clear division of the two key aspects of management, the management of the Board and the day-to-day management of business. Based on this principle, the Company adopt the abovementioned corporate governance measures to ensure a balance of power and authority, so that power is not concentrated in any one individual. Nevertheless, this is a deviation from the code provision A.2.1 of the CG Code, which requires the roles of chairman and chief executive should be separate and should not be performed by the same individual.

As set out in the biography of Mr. Chau in this announcement. Mr. Chau has extensive experience in business and operations management as well as experience as board members of listed issuers in Hong Kong. The Board considered that vesting the roles of Co-Chairman and chief executive officer in Mr. Chau facilitates and maximizes the effectiveness of the execution of the Group's business strategies. The Board believes that the Co-Chairmen each acts as a check and balance on each other and that there is a clear understanding and expectation of the Board and within the Company as to the separation of roles and responsibilities of Mr. Chau and Mr. Dai.

The Board also considered the composition of the Board and senior management of the Company, which comprises experienced and high calibre individuals. The Board currently comprises three executive Directors (including Mr. Chau), one non-executive Director and three independent non-executive Directors and therefore has a strong independence element in its composition. In view of the above, the Board believes that the balance of power and authority is adequately maintained to ensure that the overall interests of the Company and its shareholders are protected.

Except for the deviation from the code provision A.2.1 of the CG Code as described above, the Company has fully complied with the applicable code provisions of the CG Code since the Listing. The Company is committed to achieve high standards of corporate governance by focusing on principles of integrity, accountability, transparency, independence, responsibility and fairness. The Board will continue to review and monitor the corporate governance of the Company, as well as various internal policies and procedures with reference to the CG Code, the Articles and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company. The Company will continue to make prominent disclosures on the corporate governance of the Company in future annual and interim reports to be published by the Company in accordance with applicable requirements under the Listing Rules, and in particular, the mandatory disclosure requirements of the Corporate Governance Report set out in Appendix 14 to the Listing Rules.

CHANGE OF COMPOSITION OF COMMITTEES OF THE BOARD

Following the change of Director mentioned above, Mr. Dai has been appointed as a member of the nomination committee and remuneration committee of the Company.

The Board wishes to express its sincere gratitude to Mr. Hu for his contribution to the Company during his tenure of office and welcome Mr. Dai to his new appointments.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“CG Code”	the Corporate Governance Code and Corporate Governance Report in Appendix 14 of the Listing Rules
“Company”	Vision Fame International Holding Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Vision Fame International Holding Limited
Chau Chit
Co-Chairman and Chief Executive Officer

Hong Kong, 1 March 2017

As at the date of this announcement, the Board comprises of three executive Directors, namely Mr. Chau Chit, Mr. Dai Jialong and Mr. Xie Xiaotao; one non-executive Directors, 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.

* *for identification purpose only*