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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)

VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE

**GRAPHENE ANTI-CORROSIVE COATING TECHNOLOGY AND
ENTERING INTO COOPERATION AGREEMENT IN RELATION TO
FORMATION OF A JOINT VENTURE COMPANY**

This is a voluntary announcement made by the Board of the Company in relation to the update of business development of the Group.

ENTERING INTO A COOPERATION AGREEMENT

The Board of the Company is pleased to announce that on 10 January 2017, Wuxi Taike, a wholly-owned subsidiary of the Company, entered into a cooperation agreement (the “Cooperation Agreement”) with Shuangliang Investment and Youjiu Investment, whereby the parties thereto intend to set up a joint venture company in the PRC (the “JV Company”) for the purpose of investing and developing in Graphene Anti-corrosive Coating Technology.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Shuangliang Investment and Youjiu Investment (and their ultimate beneficial owners) are independent third parties of the Company and its connected persons.

REGISTERED CAPITAL AND PROPORTION OF CAPITAL CONTRIBUTION

Pursuant to the Cooperation Agreement, the registered capital of the JV Company will be RMB30 million. Shuangliang Investment shall contribute RMB22.5 million in cash, representing 75% of the registered capital; Wuxi Taike shall contribute the Graphene Anti-corrosive Coating Technology at the value of RMB3 million, representing 10% of the registered capital; and Youjiu Investment shall contribute RMB4.5 million in cash, representing 15% of the registered capital. The amount of contribution by Wuxi Taike to the registered capital of the JV Company is arrived at after arm’s length negotiation between the parties to the Cooperation Agreement with reference to the valuation report on the Graphene Anti-corrosive Coating Technology (which was valued at approximately RMB3 million as at 30 November 2016) issued by an independent valuer, Pan-China Assets Appraisals Co. Ltd., in the PRC.

BOARD OF DIRECTORS

The JV Company shall have a board of directors. The board of directors of the JV Company shall consist of three directors, two of which shall be appointed by Shuangliang Investment, one shall be jointly appointed by Wuxi Taike and Youjiu Investment. The chairman of the board of directors of the JV Company shall be appointed by Shuangliang Investment and the chairman shall also be the legal representative of the JV Company.

PROFIT AND LOSS SHARING

Wuxi Taike, Shuangliang Investment and Youjiu Investment shall have the rights to share the profit and bear the loss of the JV Company in proportion to their respective equity interest held in the JV Company.

OTHER TERMS

The Group shall give priority to the JV Company and its designated third parties in the supply of graphene materials which fulfill the technical requirements in applying the Graphene Anti-corrosive Coating Technology in accordance with the purchase orders of the JV Company and its designated third parties.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE INVESTING COMPANY

The Group is principally engaged in the development, production and sales of graphene. The Group expands the graphene market by developing downstream applications of graphene.

As set out in the Company's prior business update announcements, Marine Chemical Research Institute (海洋化工研究院有限公司) has successfully developed graphene-zinc anti-corrosive primer with graphene products produced by the Group. A number of domestic investors are liaising with the Group, seeking for cooperation in the coatings technology.

Amongst the potential investors, Shuangliang Eco-Energy, which is China's top 500 enterprises, has more than 30 years' experience in new energy equipment, new chemical materials, energy saving and environmental protection. The JV Company can take advantage of the expertise and experience of Shuangliang Eco-Energy to develop and produce graphene anti-corrosive coatings efficiently and effectively.

The Graphene Anti-corrosive Coating Technology is developed based on the graphene products produced by the Group which is an essential element in producing stable and high quality graphene anti-corrosive coatings. The Group will become the major graphene material supplier of the JV Company.

The Board considers that the formation of the JV Company will be beneficial to the future business growth and development of the Group and that the terms of the Cooperation Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

The entering into of the Cooperation Agreement and the formation of the JV Company do not constitute any notifiable transaction or connected transaction of the Company under Chapter 14 and Chapter 14A of the Listing Rules. The Company is publishing this announcement on a voluntary basis.

DEFINITIONS

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

“Board”	the board of Directors
“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
“Graphene Anti-corrosive Coating Technology”	graphene long-lasting anti-corrosive coating formulation and techniques developed by the Group and Marine Chemical Research Institute
“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
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of China
“Shuangliang Eco-Energy”	Shuangliang Eco-Energy System Holding Company Limited (雙良節能系統股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600481), and its subsidiaries
“Shuangliang Investment”	Jiangsu Shuangliang Eco-Energy Investment Company Limited (江蘇雙良節能投資有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of Shuangliang Eco-Energy

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Youjiu Investment”	Jiangyin Youjiu Investment Company Limited (江陰攸久投資有限公司), a company incorporated in the PRC principally engaged in investment holdings
“Wuxi Taike”	Wuxi Taike Nano New Material Co. Ltd, a wholly-owned subsidiary incorporated in the PRC

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

Hong Kong, 10 January 2017

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Chau Chit and Mr. Xie Xiaotao; 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.