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維奧集團控股有限公司
Vital Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1164)

**(I) COMPLETION OF SUBSCRIPTION AGREEMENT IN
RELATION TO SHARE SUBSCRIPTION
AND CB SUBSCRIPTION**
**(II) CHANGES IN COMPOSITION OF THE BOARD,
COMMITTEES AND AUTHORIZED REPRESENTATIVE**

COMPLETION OF THE SHARE SUBSCRIPTION AND CB SUBSCRIPTION

The Board is pleased to announce that the Conditions Precedent to the completion of the Subscription Agreement had been fulfilled or waived (if applicable) by the parties to the Subscription Agreement and completion of the Share Subscription and completion of the CB Subscription took place simultaneously on 18 August 2011.

Upon completion of the Share Subscription and the CB Subscription, the Subscriber and its concert parties will be interested in 1,670,000,000 Shares, representing approximately 50.11% of the entire issued share capital of the Company as enlarged by the Subscription Shares (assuming that the conversion rights attached to the Convertible Bonds have not been exercised).

**CHANGES IN COMPOSITION OF THE BOARD, COMMITTEES AND
AUTHORIZED REPRESENTATIVE**

The Board announces that with effect from 18 August 2011:

- (i) Mr. Yu Zhiping (余志平) has been appointed as the Chairman and non-executive Director;
- (ii) Mr. He Zuyuan (何祖元) has been appointed as an executive Director, the chief executive officer, the chairman of the remuneration committee and an authorized representative under the Companies Ordinance and the Listing Rules;
- (iii) Mr. Li Zhengguang (李正光) has been appointed as an executive Director and a member of the remuneration committee;
- (iv) Ms. Zheng Xiaowei (鄭曉衛) has been appointed as a non-executive Director;

- (v) Mr. Wei Qiyao (魏其岩) has been appointed as a non-executive Director and a member of the audit committee;
- (vi) Mr. Ling Bing (凌兵) has been appointed as an independent non-executive Director, a member of the audit committee and a member of the remuneration committee;
- (vii) Mr. Qiu Xianhong (邱先洪) has been appointed as an independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee;
- (viii) Mr. Huang Jinsong (黃勁松) has been appointed as an independent non-executive Director and a member of the remuneration committee; and
- (ix) Mr. Chen Zhiyu (陳志宇) has been re-designated from an executive Director to a non-executive Director and ceases to be the chief executive officer.

The Board further announces that with effect from 18 August 2011:

- (i) Mr. Xu Xiaofan has resigned as the Chairman, the executive Director and a member of the remuneration committee;
- (ii) Ms. Guo Lin has resigned as the executive Director and a member of the remuneration committee;
- (iii) Mr. Huang Zemin has resigned as the executive Director;
- (iv) Mr. Li Ke has resigned as the executive Director;
- (v) Mr. Liu James Jin has resigned as the executive Director and an authorized representative of the Company under the Companies Ordinance and the Listing Rules;
- (vi) Mr. Lui Tin Nang has resigned as the independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee;
- (vii) Mr. Lee Kwong Yiu has resigned as the independent non-executive Director, the chairman of the remuneration committee and a member of the audit committee; and
- (viii) Mr. Chong Cha Hwa has resigned as the independent non-executive Director, a member of the remuneration committee and a member of the audit committee.

References are made to the announcement made by the Company dated 31 March 2011 and the circular issued by the Company dated 23 May 2011 (the “**Circular**”) in relation to, among other things, (i) the Share Subscription; and (ii) the CB Subscription. Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Circular.

COMPLETION OF THE SHARE SUBSCRIPTION AND CB SUBSCRIPTION

The Board is pleased to announce that the Conditions Precedent to the completion of the Subscription Agreement had been fulfilled or waived (if applicable) by the parties to the Subscription Agreement and completion of the Share Subscription and completion of the CB Subscription took place simultaneously on 18 August 2011. Upon completion of the Share Subscription and the CB Subscription, the Subscriber and its concert parties will be interested in 1,670,000,000 Shares, representing approximately 50.11% of the entire issued share capital of the Company as enlarged by the Subscription Shares (assuming that the conversion rights attached to the Convertible Bonds have not been exercised).

The net proceeds from the Share Subscription are approximately HK\$379 million. The Company has allotted and issued 600,000 Convertible Bonds in the principal amount of HK\$600,000,000. The net proceeds from the CB Subscription are approximately HK\$600 million. The total net proceeds arising from both the Share Subscription and the CB Subscription amounts to approximately HK\$979 million.

SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER THE COMPLETION OF THE SHARE SUBSCRIPTION AND THE CB SUBSCRIPTION

Set out below is a table illustrating the shareholding structure of the Company (i) upon the issuance and allotment of the Subscription Shares; and (ii) upon completion of the Share Subscription and CB Subscription and assuming the full conversion of the Convertible Bonds:

	Upon issuance and allotment of the Subscription Shares		Upon completion of the Share Subscription and CB Subscription and assuming the full conversion of the Convertible Bonds	
	No. of shares	%	No. of shares	%
Shareholders				
Perfect Develop Holding Inc. (Note 1)	522,526,940	15.68%	522,526,940	8.79%
Ex-Directors				
Mr. Xu Xiaofan (Note 4)	15,000,000	0.45%	15,000,000	0.25%
Mr. Chen Zhiyu (Note 3)	26,666	0%	26,666	0%
Mr. Liu James Jin (Note 2)	24,130,400	0.72%	24,130,400	0.41%
Ms. Guo Lin (Note 5)	11,500,000	0.35%	11,500,000	0.19%
Mr. Tao Lung	35,891,648	1.08%	35,891,648	0.60%
Mr. Huang Jianming	8,500,000	0.26%	8,500,000	0.14%
Mr. Shen Songqing	20,660,000	0.62%	20,660,000	0.35%

	Upon issuance and allotment of the Subscription Shares		Upon completion of the Share Subscription and CB Subscription and assuming the full conversion of the Convertible Bonds	
	No. of shares	%	No. of shares	%
Independent non-executive director				
Mr. Chong Cha Hwa (<i>Note 5</i>)	1,500,000	0.05%	1,500,000	0.03%
Subscriber				
Subscription Shares	1,670,000,000	50.11%	1,670,000,000	28.11%
Conversion Shares	—	—	2,608,695,652	43.91%
Other Public Shareholders	<u>1,022,851,339</u>	<u>30.68%</u>	<u>1,022,851,339</u>	<u>17.22%</u>
Total	<u>3,332,586,993</u>	<u>100.00%</u>	<u>5,941,282,645</u>	<u>100.00%</u>

Notes:

1. The issued share capital of Perfect Develop Holding Inc. is beneficially owned as to 58.28% by Mr. Tao Lung, 30.67% by Mr. Huang Jianming and 11.05% by Mr. Liu James Jin. Mr. Tao Lung and Mr. Huang Jianming are founders of the Group, former executive Directors of the Company, and currently paid consultants of the Company. Pursuant to a share charge dated 1 April 2011, Perfect Develop Holding Inc. charged 450,000,000 Shares in favour of the Subscriber.
2. Mr. Liu James Jin is a founder of the Group and an executive Director who resigned on 18 August 2011. Ms. Zheng Qing Ling, the spouse of Mr. Liu James Jin, is the owner of a total of 1,000,000 Shares.
3. The resignation of Mr. Chen Zhiyu as the Chief Executive Officer of the Company and an executive Director and his re-designation to a non-executive Director took effect on 18 August 2011.
4. The resignation of Mr. Xu Xiaofan as Chairman to the Board and an executive Director took effect on 18 August 2011.
5. The resignation of Ms. Guo Lin as an executive Director and resignation of Mr. Chong Cha Hwa as an independent non-executive Director took effect on 18 August 2011.

Changes in Composition of the Board, Committees and Authorized Representative

The Board announces that with effect from 18 August 2011:

- (i) Mr. Yu Zhiping (余志平) has been appointed as the Chairman and non-executive Director;
- (ii) Mr. He Zuyuan (何祖元) has been appointed as an executive Director, the chief executive officer, the chairman of the remuneration committee and an authorized representative under the Companies Ordinance and the Listing Rules;
- (iii) Mr. Li Zhengguang (李正光) has been appointed as an executive Director and a member of the remuneration committee;

- (iv) Ms. Zheng Xiaowei (鄭曉衛) has been appointed as a non-executive Director;
- (v) Mr. Wei Qiyao (魏其岩) has been appointed as a non-executive Director and a member of the audit committee;
- (vi) Mr. Ling Bing (凌兵) has been appointed as an independent non-executive Director, a member of the audit committee and a member of the remuneration committee;
- (vii) Mr. Qiu Xianhong (邱先洪) has been appointed as an independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee;
- (viii) Mr. Huang Jinsong (黃勁松) has been appointed as an independent non-executive Director and a member of the remuneration committee; and
- (ix) Mr. Chen Zhiyu (陳志宇) has been re-designated from an executive Director to a non-executive Director for a period of two years commencing from 18 August 2011 and will continue serving as a non-executive director thereafter until his service contract is terminated by not less than three months' notice in writing served by either party to the other and ceases to be the chief executive officer. Mr. Chen is entitled to an annual salary of HK\$150,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

The biographies of the newly appointed directors are as follows:

Mr. Yu Zhiping (余志平), aged 47, is a senior engineer. Mr. Yu joined China Guangdong Nuclear Power Holding Co. Ltd. (“CGNPC”) in 1989, and is currently a general manager of CGNPC Uranium Resources Co., Ltd.. Prior to that, he was the secretary general of the Financial and Economic Affairs Committee of CGNPC, director of the research centre, and a general manager of the strategic planning department of CGNPC. Mr. Yu has over 22 years of experience in corporate management and uranium exploration. Mr. Yu is currently the Chairman of CGNPC Uranium Resource Xinjiang Co., Ltd, CGNPC Uranium Resource Guangdong Co., Ltd and China Uranium Development Company Limited. Mr. Yu graduated with a bachelor degree in Engineering Mechanics from Huazhong University of Science & Technology in 1985.

Mr. Yu has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Yu is entitled to an annual salary of HK\$200,000 in accordance with this service contract. His remuneration is based on his expertise, knowledge and experience.

Mr. He Zuyuan (何祖元), aged 45, joined CGNPC in 2007, and is currently a deputy general manager and Chief Financial Officer of CGNPC Uranium Resources Co., Ltd.. Prior to that, he served as a manager of financial and planning department of CGNPC Uranium Resources Co. Ltd.. Mr. He has over 21 years of experience in uranium exploration and financial management. He has worked for Nanjing Zhongda Group for 3 years, serving as its Chief Financial Officer and vice president. Mr. He is currently a director of Beijing Sino-Kaz Uranium Resources Investment Company Limited, Energy Metals Ltd. (a listed company in

Australia, stock code: EME) and the Subscriber. Mr. He graduated with a bachelor degree in geological economics from East China Institute of Geology in 1988 and was also awarded an MBA degree from Tsinghua University.

Mr. He has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. He is entitled to an annual salary of HK\$950,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Mr. Li Zhengguang (李正光), aged 38, joined CGNPC in 2008, and is currently a manager assistant of financial department of CGNPC Uranium Resources Co. Ltd.. Mr. Li has over 16 years of experience in financial management. He has worked for the China Construction Bank, serving as a deputy manager and then as general manager of the Finance Department of Shanxi Changzhi Branch. Mr. Li is currently a director of CGNPC URC Logistics Co., Ltd. and Newkum Inc.. Mr. Li graduated with an MBA degree from Tsinghua University in 2008.

Mr. Li has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Li is entitled to an annual salary of HK\$800,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Ms. Zheng Xiaowei (鄭曉衛), aged 45, joined CGNPC in 1998. She is currently the Chief Legal Advisor and Company Secretary of CGNPC Uranium Resources Co. Ltd. Prior to that, she served as a manager of the investment and legal department of CGNPC Uranium Resources Co. Ltd. Ms. Zheng has over 15 years of experience in investment, project management and corporate governance. Ms. Zheng is currently a director of Beijing Sino-Kaz Uranium Resources Investment Company Limited, Newkum Inc., CGNPC URC Logistics Co., Ltd and Energy Metals Ltd. (a listed company in Australia, stock code: EME) and the Subscriber. Ms. Zheng graduated with a bachelor degree of industrial automation from Zhejiang University in 1988 and was also awarded a master degree of information engineering.

Ms. Zheng has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Ms. Zheng is entitled to an annual salary of HK\$150,000 in accordance with her service contract. Her remuneration is based on her expertise, knowledge and experience.

Mr. Wei Qiyan (魏其岩), aged 44, is a holder of doctorate degree in Business Administration and a senior engineer. Mr. Wei joined CGNPC in 1991, and is currently a deputy general manager of CGNPC Uranium Resources Co., Ltd.. Prior to that, he served as a deputy manager of the department of planning and contract of Yangjiang Nuclear Power Co. Ltd.. Mr. Wei has over 20 years of experience in corporate management and uranium exploration. Mr. Wei graduated with a doctorate degree in Business Administration from Huazhong University of Science & Technology in 2007.

Mr. Wei has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Wei is entitled to an annual salary of HK\$150,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Mr. Ling Bing (凌兵), aged 44, a professional lawyer in the PRC, is currently a professor of the Faculty of Law of the Chinese University of Hong Kong. Mr. Ling is also the secretary-general of the International Law Association (ILA) (Hong Kong branch), a member of the Executive Council of the Chinese Society of International Law, a member of Constitutional Affairs Committee of the Law Society of Hong Kong, a consultant to the research centre of maritime law of School of Law of Tsinghua University, a consultant to the School of Comparative Law and Multinational Law of Tilburg University in the Netherlands and an external consultant for both the LLM Program in Chinese Law of the Faculty of Law of the University of Hong Kong and the LLM Program of the Open University of Hong Kong. Mr. Ling was a visiting professor of the Law School of Tsinghua University, an adjunct professor of School of Law of Fudan University, a visiting professor of Law School of Michigan University, and a tutor of the Institute of International Law of Peking University. Mr. Ling has over 21 years of experience in Business Law teaching and research. Mr. Ling has an LLB degree from Peking University and an LLM degree from Michigan University.

Mr. Ling has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Ling is entitled to an annual salary of HK\$120,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Mr. Qiu Xianhong (邱先洪), aged 48, is a Certified Public Accountant in the PRC. Mr. Qiu is currently a partner of Beijing QQCPA Accounting Firm. Mr. Qiu is also a consultant to China Institute of Strategy and Management. Mr. Qiu was the deputy head of the financial department and asset management department of China National Packaging Corporation, and the deputy director of the Financial Department of China Patent Bureau. Mr. Qiu has over 27 years of experience in financial accounting, financial management and auditing. Mr. Qiu graduated with a bachelor degree in financial accounting from Jiangxi University of Finance and Economics.

Mr. Qiu has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Qiu is entitled to an annual salary of HK\$120,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Mr. Huang Jinsong (黃勁松), aged 42, is currently an associate professor of Corporate Management of the School of Economics and Management of Beijing University of Aeronautics and Astronautics. Mr. Huang has worked as the chief consultant to Beijing Zhengxinchuangye Investment Consulting Company Limited for 3 years. Mr. Huang has over 12 years of experience in corporate reorganization and development strategy. Mr. Huang has a master degree in Financial Management and a doctorate degree in Management, both of which are from Tsinghua University.

Mr. Huang has entered into a service contract with the Company for an initial term of two years commencing from 18 August 2011 and will continue thereafter until the service contract is terminated by not less than three months' notice in writing served by either party to the other. Mr. Huang is entitled to an annual salary of HK\$120,000 in accordance with his service contract. His remuneration is based on his expertise, knowledge and experience.

Save as disclosed above, as at the date of this announcement, each of the above newly appointed Directors:

- (1) did not hold any other positions in the Company or in any other members of the Group, nor any directorships in other listed public companies in the three years prior to the date of this announcement;
- (2) did not have any other relationships with any directors, members of senior management, substantial shareholders or controlling shareholders of the Company;
- (3) did not hold any other interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; and
- (4) did not receive any other remunerations from the Company.

The above appointments are subject to rotation and re-election at the annual general meeting of the Company in accordance with the articles of association.

Save as disclosed above, in relation to the appointment of the above Directors, there is no other matter that need to be brought to the attention of the Shareholders, nor is there any information that needs to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

The Board further announces that with effect from 18 August 2011:

- (i) Mr. Xu Xiaofan has resigned as the Chairman, the executive Director and a member of the remuneration committee;
- (ii) Ms. Guo Lin has resigned as the executive Director and a member of the remuneration committee;
- (iii) Mr. Huang Zemin has resigned as the executive Director;
- (iv) Mr. Li Ke has resigned as the executive Director;
- (v) Mr. Liu James Jin has resigned as the executive Director and an authorized representative of the Company under the Companies Ordinance and the Listing Rules;
- (vi) Mr. Lui Tin Nang has resigned as the independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee;
- (vii) Mr. Lee Kwong Yiu has resigned as the independent non-executive Director, the chairman of the remuneration committee and a member of the audit committee; and

(viii) Mr. Chong Cha Hwa has resigned as the independent non-executive Director, a member of the remuneration committee and a member of the audit committee.

Each of Mr. Xu, Ms. Guo, Mr. Huang, Mr. Li, Mr. Liu, Mr. Lui, Mr. Lee and Mr. Chong has confirmed that each of them has no disagreement with the Board and there is no matter relating to their resignation that needs to be brought to the attention of the shareholders of the Company.

The Board takes this opportunity to express its sincere gratitude to each of Mr. Xu, Ms. Guo, Mr. Huang, Mr. Li, Mr. Liu, Mr. Lui, Mr. Lee and Mr. Chong for their past efforts to the development of the Group during their tenure of services as Directors. The Board also expresses its warmest welcome to each of the newly appointed Directors for joining the Company.

By Order of the Board
Vital Group Holdings Limited
Mr. He Zuyan
Executive Director

Hong Kong, 18 August 2011

As at the date of this announcement, the board of directors of the Company comprises two executive directors: Mr. He Zuyuan (chief executive officer) and Mr. Li Zhengguang, four non-executive directors: Mr. Yu Zhiping (chairman), Mr. Wei Qiyan, Ms. Zheng Xiaowei and Mr. Chen Zhiyu and three independent non-executive directors: Mr. Ling Bing, Mr. Qiu Xianhong and Mr. Huang Jinsong.