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vongroup

Vongroup Limited

黃河實業有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 318)

ACQUISITION OF 9.9% SHAREHOLDING BY ABN AMRO BANK, N.V. AND RESUMPTION OF TRADING

The Company is pleased to announce that it has been advised by Vongroup Holdings Limited, its controlling shareholder, that it has entered into a share purchase agreement with ABN AMRO Bank, N.V. today, pursuant to which ABN AMRO Bank N.V. has acquired 550,676,056 shares in the Company, at HK\$0.71 per share, for an aggregate consideration of US\$50 million (approximately HK\$391 million), representing approximately 9.9% of its issued share capital.

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") was suspended from 9:33 a.m. on 15th May 2007 and an application has been made to the Stock Exchange to allow dealings in the shares of the Company to resume with effect from 9:30 a.m. on 16th May 2007.

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on the Stock Exchange. The Company is pleased to announce that it has been advised by Vongroup Holdings Limited, its controlling shareholder, that it has entered into a share purchase agreement with ABN AMRO Bank, N.V. today, pursuant to which ABN AMRO Bank N.V. has acquired 550,676,056 shares in the Company, at HK\$0.71 per share, for an aggregate consideration of US\$50 million (approximately HK\$391 million), representing approximately 9.9% of its issued share capital (the "Acquisition").

The consideration of HK\$0.71 per share represents a discount of 7.6% and 9.7% to the average closing price over the 10 and 5 consecutive trading days before the suspension, and a discount of 11.25% to the closing price on 14th May 2007, the most recent trading day before the suspension.

The shareholding in the Company before and after the Acquisition is shown as follows:

Name	Number of shares held before the Acquisition	Approximate % of total issued shares	Number of shares held after the Acquisition	Approximate % of total issued shares
Vongroup Holdings Limited	4,062,000,000	72.7%	3,511,323,944	62.8%
ABN AMRO Bank, N.V.	-	-	550,676,056	9.9%
Wong Chi Man (a director of the Company) and his associates	59,524,000	1.1%	59,524,000	1.1%
Public shareholders	1,465,861,900	26.2%	1,465,861,900	26.2%
Total	5,587,385,900	100%	5,587,385,900	100%

The Company confirms that, to the best of its knowledge, information and belief, having made all reasonable enquiry, ABN AMRO Bank, N.V. is independent of, and not connected with any of the directors, chief executive, and substantial shareholders of the Company or any of its subsidiaries and their respective associates.

The Company also confirms that it is not intended that there will be any change in the composition of its board of directors as a result of the Acquisition.

Trading in the shares of the Company on the Stock Exchange was suspended from 9:33 a.m. on 15th May 2007 and an application has been made to the Stock Exchange to allow dealings in the shares of the Company to resume with effect from 9:30 a.m. on 16th May 2007.

By Order of the Board
VONGROUP LIMITED
Vong Tat Ieong David
Executive Director

Hong Kong, 15th May 2007

As at the date hereof, the Board of Directors of the Company comprises three executive Directors, namely: Vong Tat Ieong David, Wong Chi Man, and Xu Siping; and three independent non-executive Directors, namely: Fung Ka Keung David, Lee G. Lam and Wong Man Ngar, Edna.

* For identification purpose only.

Please also refer to the published version of this announcement in The Standard and South China Morning Post - Business.