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GRANDE

THE GRANDE HOLDINGS LIMITED

嘉域集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

CLARIFICATION ANNOUNCEMENT

The Board wishes to make clarification with respect to the Announcement regarding the annual results of the Group for the year ended 31 December 2009.

Reference is made to the announcement of The Grande Holdings Limited (the “**Company**”) dated 26 April 2010 (the “**Announcement**”) regarding the annual results of the Group for the year ended 31 December 2009. Unless otherwise defined, terms used in this announcement shall have the same meanings as those used in the Announcement.

The Board wishes to clarify that the independent auditors of the Company added Emphasis of Matter paragraphs in their independent auditors’ report in respect of the consolidated financial statements of the Group for the year ended 31 December 2009 set out as below:

“Without qualifying our opinion, we draw attention to note 4(a) to the consolidated financial statements which indicates that the Group incurred a loss of HK\$1,266 million during the year ended 31 December 2009 and, as of that date, the Group’s current liabilities exceeded its current assets by HK\$95 million excluding the outstanding settlement obligations of HK\$890 million in respect of certain court proceedings as detailed in note 33 to the consolidated financial statements.

These conditions, along with other matters as set forth in note 4(a), indicate the existence of a material uncertainty which may cast significant doubt about the Group’s ability to continue as a going concern. The Group’s ability to continue as a going concern is dependent on the financial support of its ultimate holding company, Accolade Inc. which has confirmed its intention to provide such assistance. The consolidated financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.”

Note 4(a) to the consolidated financial statements sets out the following:

“The Group’s business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Review of Operations and Prospects on pages 8 and 9. In addition, note 5 includes details of the Group’s financial instruments; its financial risk management objectives; and its exposure to currency risk, interest rate risks, credit risk, price risk, and liquidity risk while note 6 includes the Group’s objectives, policies and processes for managing its capital.

As at 31 December 2009, the Group had net current liabilities of HK\$95 million, excluding the outstanding settlement obligations of HK\$890 million in respect of certain court proceedings as detailed in note 33. As set out in note 44, on 23 April 2010, Accolade has confirmed its commitment to assume the aforesaid outstanding settlement obligations from the Company.

Subject to any unforeseeable changes on market conditions, the directors have a reasonable expectation that the Group will be able to generate sufficient funds from its business to continue in operational existence for the foreseeable future based on the assessment of the individual business liquidity and cash flow requirements for the next twelve months. As detailed in notes 29 and 31, there were certain payables and obligations under finance leases due for payment prior to the end of the reporting period. While the Company is in ongoing negotiation with certain creditors on refinancing or rescheduling the payment terms, Accolade has confirmed its intention to provide continuous financial support in funding the working capital requirements of the Company. The directors consider that Accolade has the financial capability to provide its financial support to the Company. Accordingly, the directors continue to adopt the going concern basis in preparing these consolidated financial statements.”

By Order of the Board
The Grande Holdings Limited
Christopher W. Ho
Chairman

Hong Kong, 30 April 2010

As at the date of this announcement, the Board of the Company comprises: Mr. Christopher W. Ho, Mr. Adrian C. C. Ma, Mrs. Christine L. S. Asprey and Mr. Paul K. F. Law as executive directors; Mr. Michael A. B. Binney as non-executive director; and Mr. Henry C. S. Chong, Mr. Herbert H. K. Tsoi and Mr. Martin I. Wright as independent non-executive directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.