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眾彩科技股份有限公司*
CHINA VANGUARD GROUP LTD.
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8156)

**PRICE SENSITIVE INFORMATION
AND
ISSUE OF WARRANTS**

This announcement is made pursuant to Rules 17.10 and 17.30 of the GEM Listing Rules.

The Company announces that the Eighth Amendment Agreements and the Fourth Restatement Agreement were reached 30 April 2010 after trading hours.

Pursuant to the Eighth Amendment Agreements, the period during which the Noteholders may require redemption of the outstanding principal amounts of the Amended Notes has been changed from “the period from 1 April 2010 to 30 April 2010 (inclusive)” to “the period from 1 May 2010 to 16 July 2010 or, if 16 July 2010 is not a business day, the next following business day (inclusive)”. The amendments to the Amended Notes contemplated under the Eighth Amendment Agreements came into effect on 30 April 2010.

Pursuant to the Fourth Restatement Agreement, amongst other things:

- (a) the term “Undertaking Period” under the Amended Undertaking was amended to the effect that the Undertaking Period commenced on 18 June 2009 and ends on the first to occur of (i) the Repayment Date; and (ii) the date on which the Company, Grand Promise and the Noteholders have executed the Notes Restructuring Documents;
- (b) each of Evolution and Liberty Harbor undertakes (i) not to exercise their Holders Put Option to require for redemption under the Current Evolution Note or the Current Liberty Note (as the case may be) prior to 16 July 2010; and (ii) exercise the Holders Put Options as directed by Grand Promise;

- (c) the Company agreed to pay the daily fees for the month of April 2010 to Liberty Harbor and Evolution in cash; and
- (d) the Company agreed to pay the Step-Up Fees and the Final Fees to Liberty Harbor and Evolution either in cash or by way of issue of the Warrants at the election of Liberty Harbor and Evolution.

Please refer to the section headed “The Fourth Restatement Agreement” for a summary of the material terms of the Fourth Restatement Agreement.

The issue of the Warrants (or parts of the Warrants) is subject to the election of Liberty Harbor and Evolution as described in more details in the section headed “Election of cash or the Warrants and conditions to the issue of the Warrants”, the Warrants may or may not be issued or may be issued partly. Please refer to the section headed “Principal Terms of the Warrants” for a summary of the principal terms of the Warrants. The Warrant Shares will be issued under the General Mandate.

The previous amendments to the Original Notes have allowed time for the Company and Grand Promise to seek financing for redemption. During this time, Grand Promise had redeemed the Original Notes partially. After the partial redemptions occurred prior to the date of this announcement, the aggregate outstanding principal amounts of the Original Notes together with interest accrued were reduced from approximately HK\$327,710,000 on 3 July 2009 to approximately HK\$79,027,000 as at the date of this announcement.

This announcement is made pursuant to Rules 17.10 and 17.30 of the GEM Listing Rules. Capitalised terms used in this announcement have the meaning given to them in the announcement of the Company dated 18 June 2009 (the “**June Announcement**”) unless otherwise defined in this announcement.

1. BACKGROUND

Reference is made to the June Announcement and the announcements of the Company dated 15 July 2009, 4 August 2009, 28 August 2009, 14 September 2009, 22 September 2009, 29 September 2009, 30 October 2009, 13 January 2010, 25 February 2010 and 31 March 2010 respectively.

(a) The Original Notes as amended

In the June Announcement, it was announced, amongst other things, that the First Amendment Deeds were entered into amending the Original Notes. The Original Notes were subsequently further amended.

Pursuant to the amendments contemplated under the Seventh Amendment Deeds, being the latest amendments prior to the coming into effect of the Eighth Amendment Agreements, the Noteholders may require redemption of the outstanding principal amounts of the Amended Notes from 1 April 2010 to 30 April 2010 (inclusive).

(b) The Original Undertaking as amended

In the June Announcement, it was announced, amongst other things, that the Company, Grand Promise, Evolution and Liberty Harbor had entered into the Original Undertaking. Pursuant to the Original Undertaking, restrictions were imposed on the CVG Group Member and Aptus on withdrawals or transfers from bank accounts during the Undertaking Period (being the period commencing on 18 June 2009 and ending on the first to occur of (A) 15 July 2009 and (B) the date on which the Company, Grand Promise and the Noteholders have executed definitive legally binding and enforceable documentation to restructure all amounts outstanding under the Original Notes (the “**Notes Restructuring Documents**”).

The Original Undertaking was subsequently amended and restated by the Previous Undertaking Amendment Agreements, the First Restatement Agreement, the Second Restatement Agreement and the Third Restatement Agreement as disclosed in the announcements of the Company dated 15 July 2009, 4 August 2009, 28 August 2009, 14 September 2009, 22 September 2009, 29 September 2009, 30 October 2009, 13 January 2010, 25 February 2010 and 31 March 2010 respectively.

2. THE EIGHTH AMENDMENT AGREEMENTS

(a) Reaching the Eighth Amendment Agreements

The Company announces that after trading hours on the date of this announcement:

- (i) the Company, Grand Promise and Evolution have reached the Eighth Evolution Amendment Agreement; and
- (ii) the Company, Grand Promise and Liberty Harbor have reached the Eighth Liberty Amendment Agreement.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, both Evolution and Liberty Harbor and their ultimate beneficial owner(s) are Independent Third Parties.

The Eighth Evolution Amendment Agreement and the Eighth Liberty Amendment Agreement are made on the same terms and conditions.

(b) Amendments relating to the Noteholders' option to require redemption pursuant to the Eighth Amendment Agreements

Under the terms of the Amended Notes, if on 1 April 2010, the holder of the note has not exercised its right to exchange the note into the shares of the Company, the holder of the note had the option, but not the obligation, during the period from 1 April 2010 to 30 April 2010 (inclusive) to require Grand Promise to redeem all or any part of its outstanding note at the Early Redemption Amount.

Pursuant to the Eighth Amendment Agreements, the period during which the Noteholders may exercise their options to require redemption of the outstanding principal amounts of the Amended Notes has been changed from “the period from 1 April 2010 to 30 April 2010 (inclusive)” to “the period from 1 May 2010 to 16 July 2010 or, if 16 July 2010 is not a business day, the next following business day (inclusive)”. The amendments to the Amended Notes contemplated under the Eighth Amendment Agreements came into effect on 30 April 2010.

Save and except as amended pursuant to the amendment described above and incidental amendments (for example, amending the definition of the term “Transaction Documents” to include the Eighth Amendment Agreements), the terms of the Amended Notes remain in full force and effect.

(c) Approval of the Stock Exchange

The Stock Exchange has granted its approval of the amendments to the Amended Notes contemplated under the Eighth Amendment Agreements as required under the GEM Listing Rules.

3. THE FOURTH RESTATEMENT AGREEMENT

The Company announces that the Company, Grand Promise, Evolution and Liberty Harbor have reached the Fourth Restatement Agreement after trading hours on the date of this announcement.

A summary of the material terms of the Fourth Restatement Agreement is set out below:

(a) Undertaking Period

The term “Undertaking Period” under the Amended Undertaking was amended to the effect that the Undertaking Period commenced on 18 June 2009 and ends on the first to occur of (i) the Repayment Date; and (ii) the date on which the Company, Grand Promise and the Noteholders have executed the Notes Restructuring Documents.

(b) Undertaking not to exercise the Holders Put Options

- (i) Each of Evolution and Liberty Harbor undertakes:
 - (A) not to exercise their Holders Put Option to require redemption under the Current Evolution Note or the Current Liberty Note (as the case may be) prior to the Options Expiry Date; and
 - (B) to exercise the Holders Put Options as directed by Grand Promise as summarised in paragraph (iii) below.
- (ii) Notwithstanding the undertakings described above, each of Liberty Harbor and Evolution may exercise the Holders Put Options unilaterally on the Options Expiry Date.
- (iii) Grand Promise has the right, but not the obligation, during the period from 30 April 2010 to 16 July 2010 (inclusive) to (from time to time and on multiple occasions) require Liberty Harbor and Evolution to exercise the Holder Put Options provided that Grand Promise must direct Liberty Harbor and Evolution to redeem the Current Liberty Note and the Current Evolution Note on a pro rata basis.

(c) Daily Extension Fees

The Company will pay a daily extension fee in cash for the period from 1 April 2010 to 30 April 2010, being US\$26,270.83 (in the case of payment to Liberty Harbor, which amount is equivalent to approximately HK\$203,598.96) and US\$16,867.50 (in the case of payment to Evolution, which amount is equivalent to approximately HK\$130,723.13).

(d) Step-Up Fees

- (i) The Company will pay recurring non-refundable fees calculated on a daily basis as described in paragraphs (ii)(A) below (“**Step-Up Fees**”) in respect of the period from 1 May 2010 to the Repayment Date.
- (ii) The amounts of the Step-Up Fees will be the lesser of:
 - (A) US\$875.69 per day (in the case of payment to Liberty Harbor, which amount is equivalent to approximately HK\$6,786.60) and US\$562.25 per day (in the case of payment to Evolution, which amount is equivalent to approximately HK\$4,357.44); and
 - (B) an amount to be calculated on a daily basis in accordance with a specified formula relevant to the outstanding principal under the Current Notes at the time of calculation.

The aggregate outstanding principal amounts of the Current Liberty Note together with interest accrued are approximately HK\$48,127,000 as at the date of this announcement. On the assumption that the Repayment Date is 16 July 2010 and there is no redemption (full or partial) before the Repayment Date, the Step-Up Fees payable to Liberty Harbor will be approximately US\$66,552.78 (equivalent to approximately HK\$515,784.05).

The aggregate outstanding principal amounts of the Current Evolution Note together with interest accrued are approximately HK\$30,900,000 as at the date of this announcement. On the assumption that the Repayment Date is 16 July 2010 and there is no redemption (full or partial) before the Repayment Date, the Step-Up Fees payable to Evolution will be approximately US\$42,731.00 (equivalent to approximately HK\$331,165.25).

(iii) The Step-Up Fees payable to Liberty Harbor will be satisfied in one of the following manners at the election of Liberty Harbor:

(A) in cash; or

(B) by the Company issuing the Liberty (Step-Up) Warrants.

(iv) The Step-Up Fees payable to Evolution will be satisfied in one of the following manners at the election of Evolution:

(A) in cash; or

(B) by the Company issuing the Evolution (Step-Up) Warrants.

Notwithstanding the rights of Liberty Harbor and Evolution to elect the satisfaction of the Step-Up Fees payable either in cash or by the issue of the Warrants, if they have elected that the Company issue to them the Step-Up Warrants and the Repayment Date is on a date after the date on which the Warrants are issued, the Step-Up Fees which continue to accrue after the issue date of the Warrants will be payable in cash only.

The ultimate numbers of the Warrants which may be issued to Liberty Harbor and Evolution depend on the amounts of the Step-Up Fees payable to them and the timing of their election. Notwithstanding that the actual Step-Up Fees payable to Liberty Harbor and Evolution are not ascertainable until the time of calculation, the maximum number of Warrant Shares that Liberty Harbor and Evolution may subscribe for upon exercise of the Liberty (Step-Up) Warrants and the Evolution (Step-Up) Warrants will not exceed 6,875,000 Shares (in the case of the Liberty (Step-Up) Warrants) and 4,125,000 Shares (in the case of the Evolution (Step-Up) Warrants) (subject to adjustment as provided in the Warrants Deed Poll).

(e) **Final Fees**

- (i) The Company will pay the following non-refundable fees (equivalent to 1.5% of the face value of the outstanding principal under the Current Liberty Note and the Current Evolution Note (as the case may be) as at 30 April 2010):
 - (A) US\$72,750 to Liberty (equivalent to approximately HK\$563,812.50) (“**Liberty Final Fee**”); and
 - (B) US\$46,710 to Evolution (equivalent to approximately HK\$362,002.50) to Evolution (“**Evolution Final Fee**”).
- (ii) The Liberty Final Fee will be satisfied in one of the following manners at the election of Liberty Harbor:
 - (A) in cash; or
 - (B) by the Company issuing the Liberty (Final) Warrants.
- (iii) The Evolution Final Fee will be satisfied in one of the following manners at the election of Evolution:
 - (A) in cash; or
 - (B) by the Company issuing the Evolution (Final) Warrants.

(f) **Election of cash or the Warrants and conditions to the issue of the Warrants**

On 19 July 2010, the Company must notify Liberty Harbor and Evolution the Exercise Price (“**Exercise Price Notice**”) for the purpose of the Warrants Deed Poll. After that, each of Liberty Harbor and Evolution may, by written notice to the Company (“**Warrant Election Notice**”), elect to have the Step-Up Fees and/or the Final Fees payable to it by the Company granting to it the Warrants. The issue of the Warrants is conditional on the SX Approval being granted.

If, prior to 16 July 2010, there is a take over of the Company, voluntary winding up of the Company or where there is a compromise or arrangement between the Company and its members or creditors is proposed as described in the Warrants Deed Poll, Liberty Harbor and Evolution may issue a written notice in which case the Company must apply for the SX Approval and grant the relevant Warrants if that approval is granted.

If the Company does not receive the Warrant Exercise Notice or the Company has not received the SX Approval or under other circumstances specified in the Fourth Restatement Agreement, the Company will have no obligation to grant any Warrant to the Noteholders and must pay the Step-Up Fees and the Final Fees in cash in accordance with the terms of the Fourth Restatement Agreement.

4. PRINCIPAL TERMS OF THE WARRANTS

The Warrants, if issued, will be on the principal terms summarised below:

Issuer	:	Company
Grantees	:	Evolution and Liberty Harbor. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, both Evolution and Liberty Harbor and their ultimate beneficial owner(s) are Independent Third Parties.
Issue Date	:	Within 5 business days of the SX Approval being granted
Conditions precedent for the grant of the Warrants	:	The SX Approval being granted
Price payable on issue of the Warrants	:	The Warrants, if issued, will fully and finally satisfy amounts of the Step-Up Fees payable pursuant to the Fourth Restatement Agreement and/or the Final Fees, no extra amount will be payable by Liberty Harbor or Evolution.
Maximum number of Warrant Shares	:	The Warrants, when fully exercised, will entitle (i) Liberty Harbor to subscribe for a maximum of 15,000,000 Warrant Shares and (ii) Evolution to subscribe for a maximum of 9,000,000 Warrant Shares, each subject to adjustment as provided in the Warrants Deed Poll.
Ranking of the Warrant Shares	:	The Warrant Shares will rank in all respects pari passu with the fully paid Shares in issue on the date on which the Warrant holder is registered on the register of members of the Company.

- Exercise Price (subject to adjustment) : The exercise price payable in respect of each Warrant Share upon exercise of the Warrants will be (i) the volume weighted average price for the five consecutive trading days of the Shares on the Stock Exchange appearing on Bloomberg starting from 12 July 2010 or earlier in specified circumstances or (ii) if the Warrantholders so elect, the subscription price payable by the grantee under the share option scheme of the Company in respect of the exercise of options granted during the period from 30 April 2010 to 16 July 2010.
- The Exercise Price was arrived after arm's length negotiation between the Company, Liberty Harbor and Evolution and is on normal commercial terms taking into account the pricing methodology of the Company's existing share option scheme.
- For reference purpose, the closing price of the Share was HK\$0.31 per Share on the date of this announcement.
- Exercise Period : 3 calendar years from the date of the Warrants Deed Poll
- Lapse of the Warrants : The Warrants will lapse in certain circumstances, such as when liquidator of the Company is appointed unless the Warrantholders elect to retain their Warrants, upon expiry of the Exercise Period or where the Warrantholder does not exercise its Warrants where there is a take over of the Company or where a compromise or arrangement between the Company and its members or creditors is proposed.
- Transferability : The Warrants are personal to the Warrantholders and are not assignable and no Warrantholder may in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Warrant or attempt so to do
- Adjustment : Exercise Price and number of Warrant Shares to be issued will be subject to adjustment in certain events, such as alteration in the capital structure of the Company occurring after 30 April 2010.

5. WARRANT SHARES TO BE ISSUED UNDER THE GENERAL MANDATE

The issue of the Warrants (or parts of the Warrants) is subject to, amongst other things, the election of Liberty Harbor and Evolution and the SX Approval being granted as described in the section headed “Election of cash or the Warrants and conditions to the issue of the Warrants” above, the Warrants may or may not be issued or may be issued partly. The issue of the Warrants and the Warrant Shares are not subject to the approval of the shareholders of the Company. If the issue of the Warrant Shares is required, the Warrant Shares will be issued under the general mandate (“**General Mandate**”) to allot and issue Shares granted by the shareholders of the Company to the Directors at the general meeting of the Company held on 3 November 2009. At the general meeting of the Company held on 3 November 2009, the Directors were authorised to allot and issue up to the aggregate of (i) 20% of the aggregate nominal amount of the issued share capital of the Company on 3 November 2009 and (ii) the nominal amount of any share capital of the Company repurchased by the Company. On this basis, the Directors may allot and issue up to 642,378,767 Shares under the General Mandate. As at the date of this announcement, no Shares have been issued under that General Mandate. Assuming that all the Warrants are issued and fully exercised, a maximum of 24,000,000 Warrant Shares will be issued such number represents approximately 0.75% of the issued share capital of the Company as at the date of this announcement, being 3,211,893,839 Shares.

6. USE OF PROCEEDS

Based on the assumption set out in the sub-section headed “Step-Up Fees” above, the Step-Up Fees payable to Liberty Harbor and Evolution will be approximately US\$66,552.78 (equivalent to approximately HK\$515,784.05) and approximately US\$42,731.00 (equivalent to approximately HK\$331,165.25) respectively though the ultimate Step-Up Fees payable is not ascertainable until at the time of calculation. If so elected by Liberty Harbor and/or Evolution, a total amounts of approximately HK\$1,772,764.30 which comprise (i) the Step-Up Fees of approximately US\$109,283.78 (equivalent to approximately HK\$846,949.30) and (ii) the Final Fees in the aggregate amounts of approximately US\$119,460.00 (equivalent to approximately HK\$925,815.00) will be fully and finally satisfied by the issue of the relevant Warrants.

Based on HK\$0.271 per Share, being the weighted average price for the five consecutive trading days of the Shares on the Stock Exchange preceding the date of this announcement and assuming that the maximum number of Warrant Shares are issuable, the gross proceeds of the issue of the Warrant Shares will be approximately HK\$6,504,000. The Company intends to use these proceeds for working capital purposes and improve the financial position of the Company.

7. APPLICATION FOR THE LISTING OF THE WARRANT SHARES

No application will be made for the listing of the Warrants. If Liberty Harbor and/or Evolution elect that the Step-up Fees and/or the Final Fees be satisfied by the issue of the Warrants pursuant to the Fourth Restatement Agreement, application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the SX Approval.

8. REASONS FOR AGREEING THE EIGHTH AMENDMENT AGREEMENTS AND THE FOURTH RESTATEMENT AGREEMENT AND THE ISSUE OF WARRANTS

The previous amendments to the Original Notes have allowed time for the Company and Grand Promise to seek financing for redemption. During this time, Grand Promise had redeemed the Original Notes partially. After the partial redemptions occurred prior to the date of this announcement, the aggregate outstanding principal amounts of the Original Notes together with interest accrued were reduced from approximately HK\$327,710,000 on 3 July 2009 to approximately HK\$79,027,000 as at the date of this announcement.

The Eighth Amendment Agreements and the Fourth Restatement Agreement allow time for the Company, Grand Promise and the Noteholders to continue the negotiation on restructuring and/or repayment of all amounts outstanding under the Current Notes and to also allow the Company to seek potential refinancing of those amounts (including with third parties other than Evolution and Liberty Harbor). The potential issue of the Warrants in lieu of the Step-Up Fees and/or the Final Fees would serve to reduce cash outflows and enhance the financial position of the Company.

Further, should the Warrants be issued and eventually exercised, this would result in the inflow of subscription monies which would further enhance the financial position of the Company. After taking into account these factors and considerations, the Directors (including the independent non-executive Directors) consider that the terms of the Eighth Amendment Agreements and the Fourth Restatement Agreement are fair and reasonable, on normal commercial terms and in the interest of the CVG Group and the shareholders of the Company as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meaning:

“Amended Evolution Note”	the Original Evolution Note as amended by the First Evolution Amendment Deed, the Second Evolution Amendment Deed, the Third Evolution Amendment Deed, the Fourth Evolution Amendment Deed, the Fifth Evolution Amendment Deed, the Sixth Evolution Amendment Deed and the Seventh Evolution Amendment Deed
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“Amended Liberty Note”	the Original Liberty Note as amended by the First Liberty Amendment Deed, the Second Liberty Amendment Deed, the Third Liberty Amendment Deed, the Fourth Liberty Amendment Deed, the Fifth Liberty Amendment Deed, the Sixth Liberty Amendment Deed and the Seventh Liberty Amendment Deed
“Amended Notes”	collectively the Amended Evolution Note and the Amended Liberty Note
“Amended Undertaking”	the Original Undertaking as amended and restated by the Previous Undertaking Amendment Agreements, the First Restatement Agreement, the Second Restatement Agreement and the Third Restatement Agreement
“Aptus”	Aptus Holdings Limited, an indirect non wholly-owned subsidiary of the Company and, for the purpose of this announcement, includes its subsidiaries
“Current Evolution Note”	the Original Evolution Note as amended by the First Evolution Amendment Deed, the Second Evolution Amendment Deed, the Third Evolution Amendment Deed, the Fourth Evolution Amendment Deed, the Fifth Evolution Amendment Deed, the Sixth Evolution Amendment Deed, the Seventh Evolution Amendment Deed and the Eighth Evolution Amendment Agreement, the outstanding principal amount of which being US\$3,114,000 (equivalent to approximately HK\$24,134,000) as at the date of this announcement
“Current Liberty Note”	the Original Liberty Note as amended by the First Liberty Amendment Deed, the Second Liberty Amendment Deed, the Third Liberty Amendment Deed, the Fourth Liberty Amendment Deed, the Fifth Liberty Amendment Deed, the Sixth Liberty Amendment Deed, the Seventh Liberty Amendment Deed and the Eighth Liberty Amendment Agreement, the outstanding principal amount of which being US\$4,850,000 (equivalent to approximately HK\$37,588,000) as at the date of this announcement
“Current Notes”	collectively the Current Evolution Note and the Current Liberty Note

“Eighth Amendment Agreements”	collectively the Eighth Evolution Amendment Agreement and the Eighth Liberty Amendment Agreement
“Eighth Evolution Amendment Agreement”	the agreement reached on 30 April 2010 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Eighth Liberty Amendment Agreement”	the agreement reached on 30 April 2010 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Evolution (Final) Warrants”	the 4,875,000 warrants which may be issued to Evolution pursuant to the Fourth Restatement Agreement, each warrant entitling Evolution to subscribe for one Share
“Evolution (Step-Up) Warrants”	subject to a cap of 4,125,000, such number of warrants to be determined in accordance with the Fourth Restatement Agreement which may be issued to Evolution, each warrant entitling Evolution to subscribe for one Share
“Fifth Amendment Deeds”	collectively the Fifth Evolution Amendment Deed and the Fifth Liberty Amendment Deed
“Fifth Evolution Amendment Deed”	the fifth amendment deed dated 13 January 2010 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Fifth Liberty Amendment Deed”	the fifth amendment deed dated 13 January 2010 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Fifth Undertaking Amendment Agreement”	the fifth amendment and undertaking agreement dated 22 September 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking
“First Amendment Deeds”	collectively the First Evolution Amendment Deed and the First Liberty Amendment Deed
“First Evolution Amendment Deed”	the amendment deed dated 17 June 2009 between the Company, Grand Promise and Evolution amending the Original Evolution Note

“First Liberty Amendment Deed”	the amendment deed dated 17 June 2009 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“First Restatement Agreement”	the amendment and restatement agreement dated 13 January 2010 between the Company, Grand Promise, Liberty Harbor and Evolution amending and restating the Original Undertaking
“First Undertaking Amendment Agreement”	the amendment and undertaking agreement dated 15 July 2009 between the Company, Grand Promise, Evolution and Liberty Harbor amending the Original Undertaking
“Fourth Amendment Deeds”	collectively the Fourth Evolution Amendment Deed and the Fourth Liberty Amendment Deed
“Fourth Evolution Amendment Deed”	the fourth amendment deed dated 30 October 2009 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Fourth Liberty Amendment Deed”	the fourth amendment deed dated 30 October 2009 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Fourth Restatement Agreement”	the agreement reached on 30 April 2010 between the Company, Grand Promise, Liberty Harbor and Evolution amending the Original Undertaking
“Fourth Undertaking Amendment Agreement”	the fourth amendment and undertaking agreement dated 14 September 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking
“Holders Put Options”	options of the Noteholders to require redemption of the outstanding Current Notes during the period from 1 May 2010 to 16 July 2010 or, if 16 July 2010 is not a business day, the next following business day (inclusive) pursuant to the Current Notes
“Liberty (Final) Warrants”	the 8,125,000 warrants which may be issued to Liberty Harbor pursuant to the Fourth Restatement Agreement, each warrant entitling Liberty Harbor to subscribe for one Share

“Liberty (Step-Up) Warrants”	subject to a cap of 6,875,000, such number of warrants to be determined in accordance with the Fourth Restatement Agreement which may be issued to Liberty Harbor, each warrant entitling Liberty Harbor to subscribe for one Share
“Noteholders”	holders of the Original Notes (as amended from time to time) from time to time, being Evolution and Liberty Harbor as at the date of this announcement
“Options Expiry Date”	the last day on which the Noteholders may exercise the Holders Put Options pursuant to the Current Notes, being 16 July 2010 or, if 16 July 2010 is not a business day, the next following business day
“Original Evolution Note”	the senior convertible redeemable note dated 30 November 2007 in the original principal amount of US\$10,000,000 issued by Grand Promise to Evolution the maturity date of which is 30 November 2012
“Original Liberty Note”	the senior convertible redeemable note dated 30 November 2007 in the original principal amount of US\$25,000,000 issued by Grand Promise to Liberty Harbor the maturity date of which is 30 November 2012
“Original Notes”	collectively the Original Evolution Note and the Original Liberty Note
“Original Undertaking”	the undertaking agreement dated 17 June 2009 between the Company, Grand Promise, Evolution and Liberty Harbor
“Previous Undertaking Amendment Agreements”	collectively the First Undertaking Amendment Agreement, the Second Undertaking Amendment Agreement, the Third Undertaking Amendment Agreement, the Fourth Undertaking Amendment Agreement, the Fifth Undertaking Amendment Agreement, the Sixth Undertaking Amendment Agreement and the Seventh Undertaking Amendment Agreement

“Repayment Date”	the date on which Liberty Harbor and Evolution receive in full of all principal outstanding under the Current Notes and accrued (but unpaid) interest and any other amounts accrued on the Current Notes
“Second Amendment Deeds”	collectively the Second Evolution Amendment Deed and the Second Liberty Amendment Deed
“Second Evolution Amendment Deed”	the second amendment deed dated 4 August 2009 between the Company, Grand Promise and Evolution further amending the Original Evolution Note
“Second Liberty Amendment Deed”	the second amendment deed dated 4 August 2009 between the Company, Grand Promise and Liberty Harbor further amending the Original Liberty Note
“Second Restatement Agreement”	the second amendment and restatement agreement dated 25 February 2010 between the Company, Grand Promise, Liberty Harbor and Evolution further amending and restating the Original Undertaking
“Second Undertaking Amendment Agreement”	the second amendment and undertaking agreement dated 4 August 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking
“Seventh Amendment Deeds”	collectively the Seventh Evolution Amendment Deed and the Seventh Liberty Amendment Deed
“Seventh Evolution Amendment Deed”	the seventh amendment deed dated 31 March 2010 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Seventh Liberty Amendment Deed”	the seventh amendment deed dated 31 March 2010 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Seventh Undertaking Amendment Agreement”	the seventh amendment and undertaking agreement dated 30 October 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking
“Share(s)”	ordinary share(s) of HK\$0.01 in the capital of the Company

“Sixth Amendment Deeds”	collectively the Sixth Evolution Amendment Deed and the Sixth Liberty Amendment Deed
“Sixth Evolution Amendment Deed”	the sixth amendment deed dated 25 February 2010 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Sixth Liberty Amendment Deed”	the sixth amendment deed dated 25 February 2010 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Sixth Undertaking Amendment Agreement”	the sixth amendment and undertaking agreement dated 29 September 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking
“Step-Up Warrants”	the Evolution (Step-Up) Warrants and the Liberty (Step-Up) Warrants
“SX Approval”	the approval of the Stock Exchange for the issue of the Warrants (to the extent such approval is required) and the listing of, and permission to deal in, the Warrant Shares (either unconditionally or on conditions reasonably acceptable to the Company, Liberty Harbor and Evolution)
“Third Amendment Deeds”	collectively the Third Evolution Amendment Deed and the Third Liberty Amendment Deed
“Third Evolution Amendment Deed”	the third amendment deed dated 22 September 2009 between the Company, Grand Promise and Evolution amending the Original Evolution Note
“Third Liberty Amendment Deed”	the third amendment deed dated 22 September 2009 between the Company, Grand Promise and Liberty Harbor amending the Original Liberty Note
“Third Restatement Agreement”	the third amendment and restatement agreement dated 31 March 2010 between the Company, Grand Promise, Liberty Harbor and Evolution further amending and restating the Original Undertaking
“Third Undertaking Amendment Agreement”	the amendment and undertaking agreement dated 28 August 2009 between the Company, Grand Promise, Evolution and Liberty Harbor further amending the Original Undertaking

“Warrantholders”	holders of the Warrants
“Warrants”	the Liberty (Step-Up) Warrants, the Liberty (Final) Warrants, the Evolution (Step-Up) Warrants and the Evolution (Final) Warrants
“Warrants Deed Poll”	the deed poll constituting the Warrants
“Warrant Shares “	an aggregate of 24,000,000 Shares, being the maximum number of Shares to be issued pursuant to the exercise of the Warrants (subject to adjustment as provided in the Warrants Deed Poll)

For the purposes of illustration, amounts in this announcement expressed in the United States dollars have been translated into Hong Kong dollars at the rate of US\$1.00 = HK\$7.75.

By Order of the Board
China Vanguard Group Limited
 眾彩科技股份有限公司*
CHAN Siu Sarah
Director

Hong Kong, 30 April 2010

As at the date of this announcement, the board of directors of the Company comprises five executive directors, being Madam Cheung Kwai Lan, Mr. Chan Tung Mei, Mr. Chan Ting, Ms. Chan Siu Sarah and Mr. Lau Hin Kun; and three independent non-executive directors, being Mr. Tian He Nian, Mr. Zhang Xiu Fu and Mr. To Yan Ming Edmond.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, 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.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its posting and on the website of the Company at www.cvg.com.hk.

* For identification purposes only