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Golife Concepts Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8172)

PLACING OF EXISTING SHARES AND SUBSCRIPTION OF NEW SHARES RESUMPTION OF TRADING

Placing Agent

OSK Asia Securities Limited

On 5 June 2007, First Vantage entered into the Placing Agreement pursuant to which the Placing Agent has placed 150,000,000 existing Shares at the Placing Price of HK\$0.165 per Share. On the same date, the Company entered into the Subscription Agreement pursuant to which the Company has agreed to issue and First Vantage has agreed to subscribe for 150,000,000 Subscription Shares at the Subscription Price of HK\$0.165 per Share subject to the fulfillment of the conditions of the completion of the Subscription Agreement.

The Placing is unconditional. It is expected that completion of the Placing will take place on 7 June 2007. The completion of the Subscription is conditional upon (i) the completion of the Placing; and (ii) the granting of listing approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares. Completion of the Subscription shall take place on the second business day after the fulfillment of the conditions, provided that, such date shall not be later than 19 June 2007 (or such later date as First Vantage and the Company may agree).

Trading in the Shares was suspended at the request of the Company with effect from 11:50 a.m. on 30 May 2007 pending the release of this announcement, which has been delayed due to the change of structure of the placing of the Shares. An application has been made by the Company to the Stock Exchange for the trading in the Shares to resume from 9:30 a.m. on 6 June 2007 following the publication of this announcement.

THE PLACING AGREEMENT

On 5 June 2007, the Company entered into the Placing Agreement pursuant to which the Placing Agent has placed 150,000,000 existing Shares held by First Vantage at the Placing Price of HK\$0.165 per Share.

Date : 5 June 2007

Parties : (1) First Vantage, a substantial shareholder holding 187,920,000 Shares prior to the Placing; and

(2) the Placing Agent

To the best of the directors' knowledge, information and belief having made all reasonable enquiries, (i) the Placing Agent is a securities company in Hong Kong and (ii) the Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Major terms of the Placing are summarised as follows:

Placees : Not less than six investors. To the best of the directors' knowledge, information and belief having made all reasonable enquiries, such investors and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons and are not acting in concert with any connected persons of the Company.

Number of Placing Shares : 150,000,000 existing Shares representing (i) approximately 13.7% of the existing issued share capital of the Company; and (ii) approximately 12.0% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares by the Company.

The Placing Shares rank pari passu with all other Shares in issue. The Placing Shares shall confer on their holders all rights, dividends and distributions declared, paid or made in respect thereof on or after the date of completion of the Placing Agreement.

Placing Price : HK\$0.165 per Share, which was determined after arm's length negotiations between the Company and the Placing Agent and which represents (i) a discount of approximately 13.6% to the closing price per Share of HK\$0.191 before the trading in the Shares was suspended at 11:50 a.m. on 30 May 2007, being the last trading day of the Shares before the date of the Placing Agreement; and (ii) a discount of approximately 4.6% to the average closing price per Share of approximately HK\$0.173 for the last five trading days up to and including 30 May 2007.

The Placing is unconditional. The completion of the Placing is expected to take place on 7 June 2007.

THE SUBSCRIPTION AGREEMENT

On 5 June 2007, the Company entered into the Subscription Agreement pursuant to which the Company has agreed to issue and First Vantage has agreed to subscribe for (subject to the conditions set out below) the Subscription Shares at the Subscription Price of HK\$0.165 per Share.

Date : 5 June 2007

Parties : (1) the Company; and
(2) First Vantage

Number of Subscription Shares : 150,000,000 new Shares (equal to the number of the Placing Shares) representing (i) approximately 13.7% of the existing issued share capital of the Company; and (ii) approximately 12.0% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares by the Company.

Subscription Price : HK\$0.165 per Share (which is equal to the Placing Price) represents (i) a discount of approximately 13.6% to the closing price per Share of HK\$0.191 before the trading in the Shares was suspended at 11:50 a.m. on 30 May 2007; and (ii) a discount of approximately 4.6% to the average closing price per Share of approximately HK\$0.173 for the last five trading days up to and including 30 May 2007.

Completion of the Subscription is conditional upon (i) completion of the Placing Agreement; and (ii) the granting of the approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Completion of the Subscription shall take place on the second business day after the fulfillment of the conditions set out above, provided that, such date shall not be later than 19 June 2007 (ie, 14 days from the date of the Placing Agreement) (or such later date as First Vantage and the Company may agree).

The Subscription constitutes a connected transaction under the GEM Listing Rules but it falls within the exemption under Rule 20.31(3)(d) of the GEM Listing Rules if the Subscription is completed within 14 days from the date of the Subscription Agreement (i.e. on or before 19 June 2007). In the event the Subscription is not completed within 14 days from the date of the Subscription Agreement, the Subscription will not fall within the exemption under Rule 20.31(3)(d) of the GEM Listing Rules and shall be subject to announcement, reporting and independent shareholders' approval requirement, and the Company will fully comply with the requirements of Chapter 20 of the GEM Listing Rules.

COST AND EXPENSES

The Company will be responsible for all cost and expenses incurred in relation to the execution of the Placing Agreement and the Subscription Agreement if both the Placing Agreement and the Subscription Agreement complete. In case the Subscription Agreement does not complete, First Vantage will be responsible for all cost and expenses incurred in relation to the execution of the Placing Agreement.

RANKING

The Subscription Shares will be issued pursuant to the General Mandate. Under the General Mandate, the Board has been given the authority to issue up to 202,220,297 new Shares subject to the requirements of the Listing Rules. Save for the proposed issue of the Subscription Shares, no part of the General Mandate has been used up to the date of this announcement. All the Subscription Shares, when fully paid for and issued, will rank pari passu in all respects among themselves and with the other Shares in issue on the date of issue of the Subscription Shares.

LISTING APPLICATION

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

EFFECT OF THE PLACING AND THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company after completion of the Placing and the Subscription:

	Existing shareholding (prior to the completion of the Placing)		Immediately after completion of the Placing but before completion of the Subscription		Immediately after completion of the Placing and the Subscription	
	<i>Number</i>		<i>Number</i>		<i>Number</i>	
	<i>of Shares</i>	<i>Percentage</i>	<i>of Shares</i>	<i>Percentage</i>	<i>of Shares</i>	<i>Percentage</i>
Gouw Hiap Kian (<i>Note 1</i>)	14,940,000	1.3%	14,940,000	1.3%	14,940,000	1.2%
First Vantage Limited (<i>Note 1</i>)	187,920,000	17.1%	37,920,000	3.4%	187,920,000	15.1%
Goldig Properties Limited (<i>Note 1</i>)	67,980,000	6.2%	67,980,000	6.2%	67,980,000	5.4%
Far East Holdings International Limited	137,883,600	12.6%	137,883,600	12.6%	137,883,600	11.1%
Richard Yen and his associates (<i>Note 3</i>)	60,000,000	5.5%	60,000,000	5.5%	60,000,000	4.8%
Deutsche Bank Aktiengesellschaft (<i>Note 2</i>)	77,670,000	7.1%	77,670,000	7.1%	77,670,000	6.2%
Placees (<i>Note 2</i>)	–	–	150,000,000	13.7%	150,000,000	12.0%
Other existing public Shareholders	550,607,888	50.2%	550,607,888	50.2%	550,607,888	44.2%
Total	1,097,001,488	100.0%	1,097,001,488	100.0%	1,247,001,488	100.0%
Total public shareholding interests	628,277,888	57.3%	778,277,888	71.0%	778,277,888	62.4%

Note 1: Mr Gouw Hiap Kian beneficially owns 14,940,000 Shares. First Vantage Limited owns 187,920,000 Shares and Goldig Properties Limited owns 67,980,000 Shares.

Both First Vantage Limited and Goldig Properties Limited are beneficially owned by a discretionary trust, whose founder is Mr Gouw Hiap Kian.

Note 2: As at the date of this announcement, Deutsche Bank Aktiengesellschaft is a public Shareholder. It is expected that all placees are not and will not as a result of the Placing become connected persons of the Company. Accordingly, all placees are public Shareholders.

Note 3: Richard Yen is a non-executive Director.

REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the design, production and distribution of branded luxury apparel and lifestyle products in the Greater China region (the PRC, Hong Kong and Taiwan). The Group intends to expand its distribution business in the PRC.

In the Management Discussion and Analysis of the Group's Annual Report 2006, the Group mentioned that it will continue to identify and forge equity and/or distribution partnership with unique fashion and lifestyle-product brands with character, market potential and longevity. The Group also plans to start distributing products and setting up retail operations in Mainland China, the fastest growing economy in Asia.

The Directors consider that the Placing and the Subscription represent a good opportunity for the Company to raise capital to strengthen the working capital position of the Group and to broaden the shareholders base and capital base of the Company. The Directors are of the view that the terms of the Placing and the Subscription are fair and reasonable and the Placing and the Subscription in the interests of the Shareholders.

The net proceeds from the Subscription are estimated to be approximately HK\$24.3 million (representing a net placing price of approximately HK\$0.162 per Subscription Share). Of the estimated net proceeds from the Subscription of approximately HK\$24.3 million, it is the intention of the Group to use approximately HK\$14.5 million for the expansion of its retail distribution network in Hong Kong and the PRC for existing brands (Anya Hindmarch, Paule Ka and Life of Circle) and new brands (Cynthia Rowley and Herend) of the Group; approximately HK\$4.9 million for brand and product development for existing and new brands of the Group; and approximately HK\$4.9 million for marketing and as general working capital of the Group.

FUND RAISING ACTIVITIES OF THE COMPANY FOR THE 12 MONTHS BEFORE THE DATE OF THIS ANNOUNCEMENT

The Company raised net proceeds of approximately HK\$23.73 million from the open offer, details of which are set out in the prospectus of the Company dated 3 July 2006. Of the net proceeds of the open offer, the Company used HK\$18.48 million for the partial payment of the consideration of the acquisition of Hip Kin Retailing Limited as set out in the circular of the Company dated 27 March 2006; and approximately HK\$5.25 million as general working capital for the Group (out of which HK\$1.85 million was used for brand marketing of the Group).

RESUMPTION OF TRADING

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DEFINITIONS

“Board”	the board of Directors of the Company
“Company”	Golife Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on GEM
“connected person(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“Directors”	directors of the Company
“First Vantage”	First Vantage Limited, a substantial shareholder of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	existing available general mandate granted to the board of Directors at the annual general meeting of the Company held on 9 May 2007 which allows the Board to authorise the issue of up to 202,220,297 new Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Placing”	the placing of the Placing Shares under the Placing Agreement
“Placing Agent”	OSK Asia Securities Limited
“Placing Agreement”	the Placing Agreement entered into between First Vantage and the Placing Agent on 5 June 2007
“Placing Price”	HK\$0.165 per Placing Share
“Placing Shares”	an aggregate of 150,000,000 existing Shares held by First Vantage and placed by the Placing Agent under the Placing Agreement
“PRC”	the People’s Republic of China excluding the two Special Administrative Regions of Hong Kong and Macau, and Taiwan for the purpose of this announcement

“Shares”	shares of HK\$0.01 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the Subscription Agreement entered into between the Company and First Vantage on 5 June 2007
“Subscription Price”	HK\$0.165 per Subscription Share
“Subscription Shares”	the 150,000,000 new Shares to be issued by the Company under the Subscription Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Leung Tak Wah
Company Secretary

5 June 2007, Hong Kong

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Lo Mun Lam, Raymond and Mr. Leung Tak Wah; three non-executive Directors, namely Mr. Richard Yen, Mr. Duncan Chiu and Ms. Yu Wai Yin, Vicky; and three independent non-executive Directors, namely Mr. Wan Kwok Pan, Mr. Sum Chun Ho and Mr. Lum Pak Sum.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. 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.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for a minimum of seven days from the date of its publication.