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**Golife Concepts Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8172)**

**CHANGE OF DOMICILE  
AND  
REORGANISATION OF SHARE CAPITAL**

**CHANGE OF DOMICILE AND CAPITAL REORGANISATION**

The Directors propose to (a) change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda; (b) effect a consolidation of shares whereby every ten Shares of HK\$0.05 each in the issued and unissued share capital of the Company shall be consolidated into one Consolidated Share of HK\$0.50 in the issued and unissued share capital of the Company; (c) reduce the par value of each of the issued Consolidated Shares from HK\$0.50 each to HK\$0.01 each by canceling the paid-up capital to the extent of HK\$0.49 on each issued Consolidated Share; and (d) diminish the par value of each of the authorised but unissued Consolidated Shares from HK\$0.50 each to HK\$0.01 each by a diminution of HK\$0.49 on each authorised but unissued Consolidated Share. The credit of HK\$16,117,404.04 arising from the Reduction of Issued Share Capital will be transferred to the contributed surplus account of the Company.

The Change of Domicile and Capital Reorganisation are each conditional upon fulfillment of certain conditions as more particularly described in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” below. The Change of Domicile is not conditional upon the Capital Reorganisation becoming effective. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective. Subject to the conditions, the Directors expect the Change of Domicile and the Capital Reorganisation will be completed by the end of March 2009. Subject to the completion of the Change of Domicile, the Company proposes to adopt a new memorandum of continuance and bye-laws in compliance with Bermuda laws to replace the existing memorandum and articles of association of the Company.

The Capital Reorganisation is proposed in order to allow the Company to issue New Shares below its existing par value per Share of HK\$0.05, and to increase flexibility for the Company in possible future fund raisings. This, together with the application of the credit standing to the contributed surplus account arising from the reduction of capital as set out above, will facilitate the payment of dividends as and when the Directors consider it appropriate in the future.

## **WARNING**

**Shareholders should also be aware of and take note that the Change of Domicile, the Capital Reorganisation involving the Capital Consolidation and the Capital Reduction are conditional upon satisfaction of the conditions precedent set out in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” in the section headed “Change of Domicile and Capital Reorganisation”. Therefore, the Change of Domicile and the Capital Reorganisation may or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **GENERAL**

A circular containing, amongst other things, further information on the Change of Domicile, the Capital Reorganisation, the adoption of the new memorandum of continuance and bye-laws and a notice to convene the EGM will be despatched to the Shareholders as soon as practicable.

## **CHANGE OF DOMICILE AND CAPITAL REORGANISATION**

The Directors propose to change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda, and to adopt a new memorandum of continuance and bye-laws in compliance with Bermuda law to replace the existing memorandum and articles of association of the Company.

The Directors also propose to reorganise the capital of the Company in the following manner:

- (a) every ten Shares of HK\$0.05 each in the issued and unissued share capital of the Company be consolidated into one Consolidated Share of HK\$0.50 each in the issued and unissued share capital of the Company;
- (b) the par value of each of the issued Consolidated Shares of HK\$0.50 each shall be reduced to HK\$0.01 each by canceling the paid-up capital to the extent of HK\$0.49 on each issued Consolidated Share;
- (c) the par value of each of the authorised but unissued Consolidated Shares of HK\$0.50 each will be diminished to HK\$0.01 each by a diminution of HK\$0.49 on each authorised but unissued Consolidated Share; and
- (d) the credit of HK\$16,117,404.04 arising from the Reduction of Issued Share Capital will be transferred to the contributed surplus account of the Company.

As at the date of this announcement, the Company has an authorised share capital of HK\$100,000,000 divided into 2,000,000,000 Shares, of which 328,926,613 Shares have been issued and are fully paid or credited as fully paid. Upon completion of the Capital Consolidation, the Company will have an authorised share capital of HK\$100,000,000 divided into 200,000,000 Consolidated Shares, of which 32,892,661 Consolidated Shares will be issued and fully paid or credit as fully paid, assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date on which the Capital Consolidation becomes effective. Upon completion of the Capital Reorganisation, the Company will have an authorised share capital of HK\$2,000,000 divided into 200,000,000 New Shares, of which 32,892,661 New Shares will be issued and fully paid or credit as fully paid, assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date on which the Capital Reorganisation becomes effective.

As at the date of this announcement, the Company has 594,000 outstanding Share Options and the outstanding Convertible Bonds of HK\$45,200,000 which in aggregate entitling holders thereof to subscribe for 370,278,210 Shares. Save as disclosed above, the Company does not have any other outstanding options, convertible notes or securities in issue which are convertible or exchangeable into Shares. As Capital Reorganisation will cause adjustments to (i) the par value and the aggregate number of the Shares or New Shares to be allotted and issue upon exercising of the outstanding Share Options and exercising of the conversion rights attaching to the Convertible Bonds; and (ii) the subscription price of the Share Options and the conversion price of the Convertible Bonds, the Company will instruct its auditors of the Company or an independent financial adviser to review and certify the basis of such adjustments as soon as possible. The Company will inform the holders of the Share Options and the Convertible Bonds of the adjustment accordingly. Further announcement will be made by the Company in respect of such adjustment as and when appropriate. The Company will comply with the letter issued by the Stock Exchange dated 5 September 2005 and the respective supplementary guidance in adjusting the subscription price of the Share Options.

The New Shares will rank pari passu in all respect among themselves and the New Shares will continue to be in the board lots of 20,000 New Shares on the business day immediately following the date of completion of the Capital Reorganisation.

As set out in the announcement of the Company dated 28 November 2008, the Board announced that the Company will raise funds by way of the Open Offer. It is expected completion of the Capital Reorganisation take place after completion of the Open Offer.

## **Conditions of the Change of Domicile**

The Change of Domicile is condition upon:

- (a) the passing of the necessary special resolution by the Shareholders at the EGM to approve an amendment to the memorandum and articles of association of the Company to facilitate the Change of Domicile (including without limitation, the amendment to the memorandum of association of the Company to permit the Change of Domicile) and to approve the Change of Domicile, the adoption of the new memorandum of continuance and bye-laws of the Company; and
- (b) compliance with the relevant procedures and requirements under the Cayman Islands laws and Bermuda laws.

## **Conditions of the Capital Reorganisation**

The Capital Reorganisation is conditional upon:

- (a) the passing of the necessary special resolution by the Shareholders at the EGM of the Company to approve the Capital Reorganisation involving the Capital Consolidation and the Capital Reduction;
- (b) the Change of Domicile becoming effective;
- (c) compliance with the relevant procedures and requirements under the GEM Listing Rules and Bermuda laws to effect the Capital Reorganisation; and
- (d) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation.

The Change of Domicile is not conditional upon completion of the Capital Reorganisation. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective.

The Capital Reorganisation will be completed upon fulfilling all the conditions of the Capital Reorganisation.

## **Reasons for the Change of Domicile and the Capital Reorganisation and impact on the Company and the Shareholders**

The Capital Reorganisation is proposed in order to allow the Company to issue New Shares below its existing par value per Share of HK\$0.05, and to increase flexibility for the Company in possible future fund raisings. This, together with the application of the credit standing to the contributed surplus account arising from the reduction of capital as set out above, will facilitate the payment of dividends as and when the Directors consider it appropriate in the future.

The Directors (including the independent non-executive Directors) are of the view that the Capital Reorganisation will not have a material financial effect on the financial position of the Group. Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

The Change of Domicile is proposed to shorten the time required to effect the Capital Reorganisation. As advised by the Legal Advisers, if the Company is to proceed with the Capital Reorganisation in the Cayman Islands, the sanction of the Grand Court shall be required for the Reduction of Issued Share Capital. Subject to availability of the Grand Court, it may take between four to six months to complete the Capital Reduction. The Board does not believe that such sanction can be obtained in a commercially expedient time frame. The Company was advised by the Legal Advisers that the Capital Reorganisation may be effected in Bermuda without the sanction of the Grand Court or approval of the Supreme Court by way of the Change of Domicile from the Cayman Islands to Bermuda through de-registration in the Cayman Islands and continuation in Bermuda. The Legal Advisers also advised that no court order is required in the Cayman Islands or Bermuda for the Change of Domicile. The Change of Domicile will not alter the underlying assets, business operations, management or financial position of the Group nor the proportionate equity interests of the Shareholders. The continuation of the Company in Bermuda does not create a new legal entity or prejudice or affect the continuity of the Company. The head office of the Group will continue to be in Hong Kong. Also, the Change of Domicile will not involve the formation of a new holding company, the withdrawal of listing of existing securities, any issue of new securities, any transfer of assets of the Company or any change in the existing shareholding structure of the Company.

As court sanction is not required for the Change of Domicile in the Cayman Islands and Bermuda and for the Capital Reorganisation in Bermuda, the Board estimates the Capital Reorganisation and the Change of Domicile should be completed between eight and twelve weeks, estimated to be about two to three months earlier than it would otherwise be, if the Company were to proceed with the Reduction of Issued Share Capital in the Cayman Islands with sanction of the Grand Court. Implementation of the Change of Domicile will not affect the listing status of the Shares on GEM.

As advised by the Legal Advisers, Shareholders will be required to approve a special resolution to amend the memorandum and articles of association of the Company to facilitate the Change of Domicile, to approve the Change of Domicile and to adopt the proposed memorandum of continuance and bye-laws upon the Change of Domicile becoming effective. After the passing of the special resolution at the EGM, the Company will make an application to continue as an exempted company in Bermuda. Upon obtaining such permission, applications will be made to the Cayman Registrar to have the Company de-registered in the Cayman Islands and to the Bermuda Registrar for registration of the Company in Bermuda. The Cayman Registrar will de-register the Company if the requirements of the Companies Law have been complied with. The Company will file the memorandum of continuance in Bermuda with the Bermuda Registrar. The memorandum of continuance will be deemed to be the new memorandum of association of the Company. Upon registration by the Bermuda Registrar of the memorandum of continuance, the Company will become a company to which the Companies Act and any other laws in Bermuda apply as if the Company had been incorporated in Bermuda on the date of the registration of the memorandum of continuance. Upon approval by the Cayman Registrar of the application for de-registration, the Cayman Registrar will issue a certificate of de-registration.

## Application for listing of New Shares

Application will be made to the Stock Exchange for granting the listing of, and permission to deal in, the New Shares and underlying New Shares to be allotted and issued upon the exercising of the Share Options and the Convertible Bonds arising from the Capital Reorganisation and all necessary arrangements will be made for the New Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

## EXPECTED TIMETABLE

2009

Despatch of the circular regarding, among other matters, the Change of Domicile and the Capital Reorganisation . . . . .	13 January
Publication of the notice of EGM . . . . .	13 January
Latest time for lodging the form of proxy for the EGM . . . . .	4:30 p.m., 2 February
EGM . . . . .	4:30 p.m., 4 February

The following events are conditional on the fulfilment of the conditions for the implementation of the Change of Domicile and the Capital Reorganisation:

Effective date of the Change of Domicile . . . . .	on or after 11 March
Effective date of the Capital Reorganisation . . . . .	on or after 30 March

Further announcement will be made by the Company to notify the Shareholders of the dates relating to the Capital Reorganisation as and when appropriate.

## WARNING

**Shareholders should also be aware of and take note that the Change of Domicile, the Capital Reorganisation involving the Capital Consolidation and the Capital Reduction are conditional upon satisfaction of the conditions precedent set out in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” in the section headed “Change of Domicile and Capital Reorganisation”. Therefore, the Change of Domicile and the Capital Reorganisation may or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **GENERAL**

The Change of Domicile, the Capital Reorganisation and the adoption of the new memorandum of continuance and bye-laws will be conditional upon the passing by the Shareholders of special resolutions at the EGM.

The EGM will be held to consider and, if thought fit, approve the resolutions in respect of the Change of Domicile (including to approve an amendment to the memorandum and articles of association of the Company to facilitate the Change of Domicile and to approve the Change of Domicile), the Capital Reorganisation (involving the Capital Consolidation and the Capital Reduction) and adoption of the new memorandum of continuance and bye-laws. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolutions to be proposed at the EGM.

A circular containing, amongst other things, further information on the Change of Domicile, the Capital Reorganisation, the adoption of the new memorandum of continuance and bye-laws and a notice to convene the EGM will be despatched to the Shareholders as soon as practicable.

## **DEFINITIONS**

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the same meanings when used herein:

“Bermuda Registrar”	the Registrar of Companies in Bermuda
“Board”	the board of directors of the Company
“Capital Consolidation”	the proposed consolidation of every ten existing Shares of HK\$0.05 each in the issued and unissued share capital of the Company into one Consolidated Share of HK\$0.50 each in the issued and unissued share capital of the Company
“Capital Reduction”	the Reduction of Issued Share Capital and the diminution of the authorised share capital to the extent of HK\$0.49 on each authorised but unissued Consolidated Share, such that the par value of all of the issued and unissued Consolidated Shares shall be HK\$0.01 each
“Capital Reorganisation”	the capital reorganisation of the Company involving the Capital Consolidation and the Capital Reduction
“Cayman Registrar”	the Registrar of Companies in the Cayman Islands
“Change of Domicile”	the proposed change of the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda

“Companies Act”	the Companies Act 1981 of Bermuda
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Golife Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on GEM
“Consolidated Shares”	shares of HK\$0.50 each in the share capital of the Company upon the Capital Consolidation taking effect
“Convertible Bonds”	collectively (i) the convertible bond of HK\$3,200,000 conferring rights to convert a total of 33,684,210 Shares on the basis of an adjusted conversion price of HK\$0.095 per Share (subject to adjustment); (ii) the convertible bonds in an aggregate principal amount of HK\$35,000,000 conferring rights to convert a total of 280,000,000 Shares on the basis of an initial conversion price of HK\$0.125 per Share (subject to adjustment); and (iii) the convertible bond of HK\$7,000,000 conferring rights to convert a total of 56,000,000 Shares on the basis of an adjusted conversion price of HK\$0.125 per Share (subject to adjustment)
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Change of Domicile and the Capital Reorganisation
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Grand Court”	the Grand Court of the Cayman Islands
“Legal Advisers”	the Company’s legal advisers as to the laws of the Cayman Islands and Bermuda
“New Shares”	shares of HK\$0.01 each in the share capital of the Company upon the Capital Reorganisation taking effect
“Open Offer”	the proposed issue of the 131,570,645 new Shares by way of open offer to the qualifying Shareholders



“Reduction of Issued Share Capital”	the proposed reduction of capital of the Company by way of the cancellation of the paid-up share capital to the extent of HK\$0.49 on each Consolidated Share, such that the par value of all of the issued Consolidated Shares shall be reduced from HK\$0.50 each to HK\$0.01
“Share Option Scheme”	the share option scheme of the Company adopted on 6 March 2002
“Share Options”	options granted under the Share Option Scheme
“Shareholders”	holders of Shares
“Shares”	existing shares of HK\$0.05 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme Court”	the Supreme Court of Bermuda
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China

By Order of the Board  
**Golife Concepts Holdings Limited**  
**Gouw San Bo, Elizabeth**  
*Chief Executive Officer and Executive Director*

Hong Kong, 24 December 2008

*As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Gouw San Bo, Elizabeth, Mr. Lai Hok Lim and Mr. Lee Chan Wah; one non-executive Director, namely Mr. Duncan Chiu; and three independent non-executive Directors, namely Mr. Lum Pak Sum, Mr. Yip Tai Him and Mr. Law Yiu Sang, Jacky.*

*This announcement, for which the Directors collectively and individually accept full responsibilities, includes particulars given in compliance with the GEM 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: (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumption that are fair and reasonable.*

*This announcement will be published on the GEM website on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the Company’s website [www.golife.com.hk](http://www.golife.com.hk).*