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Golife Concepts Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8172)

CONNECTED TRANSACTION

PROPOSED ISSUE AND SUBSCRIPTION OF CONVERTIBLE BONDS; REFRESHMENT OF GENERAL MANDATE TO ISSUE AND ALLOT SHARES; AND RESUMPTION OF TRADING

Financial adviser to the Company



CIMB-GK Securities (HK) Limited

SUBSCRIPTION AGREEMENTS AND PROPOSED ISSUE OF CONVERTIBLE BONDS

On 30 May 2008, the Company entered into the Subscription Agreements with Far East and JL Investments whereby (i) Far East agreed to subscribe for the Far East Convertible Bonds in the principal amount of HK\$7,000,000 to be issued by the Company for a term of 3 years with a coupon rate of 2% per annum. The Far East Convertible Bonds are convertible into the Far East Conversion Shares at the initial Conversion Price of HK\$0.025 (subject to adjustment); and (ii) JL Investments agreed to subscribe for the Subscriber Convertible Bonds in the principal amount of HK\$6,200,000 to be issued by the Company for a term of 1 year with a coupon rate of 2% per annum. The Subscriber Convertible Bonds are convertible into the Subscriber Conversion Shares at the initial Conversion Price of HK\$0.025 (subject to adjustment).

Upon full conversion of (i) the Far East Convertible Bonds at the initial Conversion Price of HK\$0.025 per Far East Conversion Share, the Far East Convertible Bonds will be converted into 280,000,000 fully-paid Far East Conversion Shares, representing approximately 22.45% of the issued share capital of the Company as at the date of this announcement and approximately 18.34% of the issued share capital of the Company as enlarged by the issuance of the Far East Conversion Shares; and (ii) the Subscriber Convertible Bonds at the initial Conversion Price of HK\$0.025 per Subscriber Conversion Share, the Subscriber Convertible Bonds will be converted into 248,000,000 fully-paid Subscriber Conversion Shares, representing approximately 19.89% of the issued share capital of the Company as at the date of this announcement and approximately 16.59% of the issued share capital of the Company as enlarged by the issuance of the Subscriber Conversion Shares. An application will be made to the Listing Committee for the listing of and permission to deal in the Far East Conversion Shares and the Subscriber Conversion Shares.

Upon conversion of the Far East Convertible Bonds by Far East in full, Far East shareholding in the Company will be increased from 11.98% to 28.12%. Upon conversion of the Subscriber Convertible Bonds by JL Investments in full, JL Investments shareholding in the Company will be increased from 0% to 16.59%.

LISTING RULES IMPLICATIONS

As Far East is a substantial Shareholder, the proposed issuance of the Far East Convertible Bonds to the Far East pursuant to the Far East Subscription Agreement constitutes a connected transaction of the Company under the GEM Listing Rules. The Far East Conversion Shares will be issued pursuant to a specific mandate to be granted to the Directors which will be sought from the Subscription Independent Shareholders. Accordingly, the Far East Subscription Agreement and transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) are subject to, among other things, the Subscription Independent Shareholders' approval at the EGM. Far East and its associates will abstain from voting on the relevant resolution approving the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) at the EGM.

ISSUE OF SUBSCRIBER CONVERSION SHARES UNDER GENERAL MANDATE

The Subscriber Conversion Shares will be issued under the General Mandate, under which the Directors have been authorized by the Shareholders to allot and issue up to 249,400,297 Shares. The directors have not exercised the power to allot and issue any new shares pursuant to such mandate prior to the date of this announcement. The Subscriber Conversion Shares of 248,000,000 Shares will utilize about 99.44% of the General Mandate.

REFRESHMENT OF GENERAL MANDATE TO ISSUE AND ALLOT SHARES

As a result of the issues of the Subscriber Conversion shares has almost fully utilized the General Mandate, the Company proposes to seek a refreshment of the General Mandate at the EGM.

GENERAL

The Directors (excluding the independent non-executive Directors who will give their opinion after considering the advice from an independent financial adviser to be engaged by the Company to advise the independent board committee and the Subscription Independent Shareholders) consider that the terms of the Far East Subscription Agreement were negotiated on an arm's length basis and on normal commercial terms between the parties and are fair and reasonable so far as the Company and the Subscription Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. The Directors also consider that the terms of the Subscriber Subscription Agreement were negotiated on an arm's length basis and on normal commercial terms between the parties and are fair and reasonable so far as the Company and the Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

An independent board committee comprising all the independent non-executive Directors has been established to consider i) the terms of the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares); and ii) the refreshment of the New Issue Mandate. An independent financial adviser will be appointed to advise the independent board committee and the Subscription Independent Shareholders in relation to the terms of the Far East Subscription Agreement and transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares); and the independent board committee and the New Issue Independent Shareholders in relation to the New Issue Mandate. A circular containing, among others, further details of the Far East Subscription Agreement, the Far East Convertible Bonds, the New Issue Mandate, a letter of recommendation from the independent board committee, a letter of advice from the independent financial adviser and the notice of the EGM, will be dispatched to the Shareholders as soon as practicable in compliance with the requirements of the GEM Listing Rules.

Shareholders should note that as completion of the Subscription Agreements is conditional upon satisfaction of all the conditions precedent set out in the Subscription Agreements and accordingly may or may not proceed. Shareholders and the investing public should exercise caution when dealing in the Shares of the Company, and if they are in any doubt of their position, they should consult their professional adviser.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 2 June 2008 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 5 June 2008.

The Far East Subscription Agreement:

Date: 30 May 2008

Parties: the Company as the issuer
Far East as the subscriber. Far East is an investment holding company. Its subsidiaries and associates are engaged in securities investment, information technology, development of music software and piped music playing equipments, maintenance and manufacture of aviation components, money lending, manufacturing and sales of garment products and brand management businesses.

Principal Terms: Pursuant to the Far East Subscription Agreement, the Company agreed to issue and the Far East agreed to subscribe for the Far East Convertible Bonds

Principal Terms of the Far East Convertible Bonds:

Coupon rate: 2%

Total principal amount: HK\$7,000,000

Maturity date: 3 years from the date of issuance of Far East Convertible Bonds

Conversion rights: The Bondholder(s) will have the right to convert the Far East Convertible Bonds, at a minimum trench of HK\$100,000 into Shares at any time after the date of issue of the Far East Convertible Bonds but before the Maturity Date

Initial Conversion Price: HK\$0.025 per Far East Conversion Share, subject to adjustment for, among other things, anti-dilution as stated below

Number of Far East Conversion Shares to be issued upon conversion: Upon full conversion of the Far East Convertible Bonds, a maximum of 280,000,000 Far East Conversion Shares (subject to adjustment) will be issued, representing approximately 22.45% of the issued share capital of the Company as at the date of this announcement and approximately 18.34% of the issued share capital of the Company as enlarged by the issuance of the Far East Conversion Shares. Upon conversion of the Far East Convertible Bonds by Far East in full, Far East shareholding in the Company will be increased from 11.98% to 28.12%

Redemption: The outstanding Far East Convertible Bonds may be redeemed by the Company at anytime from the date of issue to the Maturity Date at the principal amount

Anti-dilution:	The initial Conversion Price is subject to adjustments in the case of customary anti-dilution events, including, among others, (i) free distribution of shares, subdivisions, consolidations or reclassification of shares, (ii) stock dividends, (iii) certain grant, offer or issue of options, rights or warrants or convertible or exchangeable securities; (iv) capital distributions including indebtedness, certain assets or shares of capital stock of the Company or certain other securities; and (v) any other event or circumstance which would have an analogous effect to any of the foregoing. The Company will make an announcement when there is any adjustment to the Conversion Price and the adjustment will be certified by the Company's auditors
Transferability:	The Far East Convertible Bonds may be freely transferred by the Bondholder(s) with the prior written consent of the Company, which consent may not be unreasonably withheld
Voting right:	The Bondholder(s) will not have voting rights at any meetings of the Company by reason only of being Bondholder(s)
Listing:	No application will be made for the listing of, or permission to deal in, the Far East Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made to the Listing Committee for the listing of, and permission to deal in the Shares to be issued upon conversion of the Far East Convertible Bonds
Ranking of Conversion Shares:	Upon issuance, the Far East Conversion Shares will rank pari passu in all respects with other Shares in issue as at the date of conversion

The Subscriber Subscription Agreement:

Date:	30 May 2008
Parties:	the Company as the issuer JL Investments as the subscriber. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, JL Investments and its ultimate beneficial owner, Mr. Lau Chi Yuen, Joseph are third parties independent from the Company and its connected persons.
Guarantors:	Ms. GOUW San Bo, Elizabeth, the executive Director and chief executive officer of the Group; and Mr. GOUW Kar Yiu, Carl, brother of Ms. GOUW San Bo, Elizabeth, hence is a connected person of the Company as defined under the GEM Listing Rules

Principal Terms: Pursuant to the Subscriber Subscription Agreement, the Company agreed to issue and JL Investments agreed to subscribe for the Subscriber Convertible Bonds

Principal Terms of the Subscriber Convertible Bonds:

Coupon rate: 2%

Total principal amount: HK\$6,200,000

Maturity date: 1 year from the date of issuance of Subscriber Convertible Bonds

Conversion rights: The Bondholder(s) will have the right to convert the Subscriber Convertible Bonds, at a minimum trench of HK\$100,000, at any time after the date of issue of the Subscriber Convertible Bonds but before the Maturity Date

Initial Conversion Price: HK\$0.025 per Subscriber Conversion Share, subject to adjustment for, among other things, anti-dilution as stated below

Number of Subscriber Conversion Shares to be issued upon conversion: Upon full conversion of the Subscriber Convertible Bonds, a maximum of 248,000,000 Subscriber Conversion Shares (subject to adjustment) will be issued, representing approximately 19.89% of the issued share capital of the Company as at the date of this announcement and approximately 16.59% of the issued share capital of the Company as enlarged by the issuance of the Subscriber Conversion Shares. Upon conversion of the Subscriber Convertible Bonds by JL Investments in full, JL Investments shareholding in the Company will be increased from 0% to 16.59%

Redemption: The outstanding Subscriber Convertible Bonds may not be redeemed by the Company at anytime from the date of issue to the Maturity Date at the principal amount

Anti-dilution: The initial Conversion Price is subject to adjustments in the case of customary anti-dilution events, including, among others, (i) free distribution of shares, subdivisions, consolidations or reclassification of shares, (ii) stock dividends, (iii) certain grant, offer or issue of options, rights or warrants or convertible or exchangeable securities; (iv) capital distributions including indebtedness, certain assets or shares of capital stock of the Company or certain other securities; and (v) any other

event or circumstance which would have an analogous effect to any of the foregoing. The Company will make an announcement when there is any adjustment to the Conversion Price and the adjustment will be certified by the Company's auditors

Transferability: The Subscriber Convertible Bonds may be freely transferred by the Bondholder(s)

Voting right: The Bondholder(s) will not have voting rights at any meetings of the Company by reason only of being Bondholder(s)

Listing: No application will be made for the listing of, or permission to deal in, the Subscriber Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made to the Listing Committee for the listing of, and permission to deal in the Shares to be issued upon conversion of the Subscriber Convertible Bonds

Ranking of Conversion Shares: Upon issuance, the Subscriber Conversion Shares will rank pari passu in all respects with other Shares in issue as at the date of conversion

The initial Conversion Price represents:

- (i) a discount of approximately 19.35% to the closing price of HK\$0.031 per Share as quoted on the Stock Exchange on 30 May 2008;
- (ii) a discount of approximately 22.36% to the average of the closing prices of HK\$0.0322 per Share as quoted on the Stock Exchange for the last five trading days up to and including 30 May 2008; and
- (iii) a premium of approximately 178% over the net asset value of the Company of HK\$0.009 per Share as quoted from the Company's audited consolidated financial statements as at the 31 December 2007.

The Conversion Price was negotiated between the Company, Far East and JL Investments on an arm's length basis and was determined with reference to the closing price of HK\$0.031 per Share as quoted on the Stock Exchange on 30 May 2008.

Conditions precedent of the Far East Subscription Agreement

Completion of the Far East Subscription Agreement is conditional upon:

- (i) the Stock Exchange having granted the listing of and permission to deal in the Far East Conversion Shares;

- (ii) no event having occurred or occurring which would constitute an event of default or a potential event of default pursuant to the Far East Subscription Agreement;
- (iii) the Subscription Independent Shareholders passing the relevant resolutions to approve the Far East Subscription Agreement and the transactions contemplated hereunder, including the issue of the Far East Convertible Bond at the EGM;
- (iv) if required, the Stock Exchange or any relevant regulatory authorities shall have approved and not withdrawn approval for the issue of the Far East Convertible Bonds and the transactions contemplated hereunder (either unconditionally or subject only to conditions to which neither the Company nor Far East shall reasonably object and the fulfilment of such conditions); and
- (v) if required, all consents or approvals of, and all filings with any relevant governmental or regulatory authorities and other third parties in the Cayman Islands.

None of the above conditions precedent could be waived by the parties.

Conditions precedent of the Subscriber Subscription Agreement

Completion of the Subscriber Subscription Agreement is conditional upon:

- i) the Stock Exchange having granted the listing of and permission to deal in the Subscriber Conversion Shares; and
- ii) Directors approving the terms of the Subscriber Subscription Agreement and the transactions contemplated therein.

None of the above conditions precedent could be waived by the parties.

The Far East Subscription Agreement and the Subscriber Subscription Agreement are not inter-conditional. Completion of the subscription of the Far East Convertible Bonds and Subscriber Convertible Bonds shall take place on or before 31 August 2008 or such other date as the parties may agree upon the fulfillment of the conditions precedent to the Subscription Agreements set out in the above at the principal place of business of the Company in Hong Kong, or on such other date as the parties may agree, and each party shall perform its respective obligations.

SHAREHOLDING STRUCTURE UPON CONVERSION OF THE CONVERTIBLE BONDS

Set out below is a table showing the shareholding structure of the Company as at the date of this announcement and after full conversion of the Convertible Bonds:

Name of Shareholder/ Beneficial owner	Existing shareholding as at the date of this announcement		After full conversion of Far East Convertible Bonds but before conversion of Subscriber Convertible Bonds		After full conversion of Subscriber Convertible Bonds but before conversion of Far East Convertible Bonds		Immediately after full conversion of the Convertible Bonds	
	Shares	%	Shares	%	Shares	%	Shares	%
Mr. Gouw Hiap Kian (Note 1)	40,800,000	3.27	40,800,000	2.67	40,800,000	2.73	40,800,000	2.30
Goldig Properties Limited (Note 1)	246,920,000	19.80	246,920,000	16.17	246,920,000	16.52	246,920,000	13.91
Sub-total of Shares in which Mr. Gouw Hiap Kian is deemed to be interested in	287,720,000	23.07	287,720,000	18.84	287,720,000	19.25	287,720,000	16.21
Far East (Note 2)	149,373,600	11.98	429,373,600	28.12	149,373,600	9.99	429,373,600	24.19
JL Investments	–	–	–	–	248,000,000	16.59	248,000,000	13.97
Other public Shareholders	809,907,888	64.95	809,907,888	53.04	809,907,888	54.17	809,907,888	45.63
Total:	<u>1,247,001,488</u>	<u>100.00</u>	<u>1,527,001,488</u>	<u>100.00</u>	<u>1,495,001,488</u>	<u>100.00</u>	<u>1,775,001,488</u>	<u>100.00</u>

Notes:

- Goldig Properties Limited is a wholly owned subsidiary of Chung Chiu Limited, which in turn is wholly owned by a discretionary trust. The founder of such discretionary trust is Mr. Gouw Hiap Kian, and the trustee of the discretionary trust is HSBC International Trustee Limited. Under the SFO, Mr. Gouw Hiap Kian is deemed to be interested in the 246,920,000 Shares held by Goldig Properties Limited.
- Far East undertakes not to convert any Far East Convertible Bonds into Far East Conversion Shares when such conversion will cause its shareholding interest in the Company, together with the shareholding interest of the parties acting in concert with it in the Company, will equal to or exceed 30% of the Shares in issue following such conversion unless Far East is willing to make a general offer to all Shareholders pursuant to the Takeovers Code.

LISTING RULES IMPLICATIONS

As Far East is a substantial Shareholder, the proposed issuance of the Far East Convertible Bonds to the Far East pursuant to the Far East Subscription Agreement constitutes a connected transaction to the Company under the GEM Listing Rules. The Far East Conversion Shares will be issued pursuant to a specific mandate to be sought from the Subscription Independent Shareholders at the EGM. Accordingly, the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) are subject to, among others, the Subscription Independent Shareholders' approval at the EGM. Far East and its associates will abstain from voting on the resolution approving the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) at the EGM.

GENERAL MANDATE

The Subscriber Conversion Shares will be issued under the General Mandate, under which the Directors have been authorized by the Shareholders to allot and issue up to 249,400,297 Shares. The directors have not exercised the power to allot and issue any new shares pursuant to such mandate prior to the date of this announcement. The Subscriber Conversion Shares of 248,000,000 Shares will utilize about 99.44% of the General Mandate.

An application will be made to the Listing Committee for the listing of and permission to deal in the Far East Conversion Shares and the Subscriber Conversion Shares.

REASONS AND BENEFITS FOR ENTERING INTO THE SUBSCRIPTION AGREEMENTS

The Directors considered that entering into of the Subscription Agreements and the issuance of the Convertible Bonds will strengthen the working capital position of the Company and the capital base of the Company will also be enhanced upon conversion of the Convertible Bonds.

The Directors (excluding the independent non-executive Directors who will give their opinions after considering the advice from the independent financial adviser to be engaged by the Company to advise the independent board committee and the Subscription Independent Shareholders) consider that the terms of the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors also consider that the terms of the Subscriber Subscription Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

Based on the estimated expenses of approximately HK\$450,000, the estimated net proceeds of the issuance of the Convertible Bonds will be approximately HK\$12,750,000, which will be utilized for general working capital purposes.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The following table summarizes the fund raising activities of the Group completed during the last twelve months before the date of this announcement:

Date of announcement	Transaction	Net proceeds raised/to be raised	Intended use of proceeds	Actual use of proceeds
5 June 2007	Issue of 150,000,000 new Shares under the subscription agreement dated 5 June 2007	HK\$24.3 million	<ul style="list-style-type: none"> – 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 	<ul style="list-style-type: none"> – Approximately HK\$14.5 million for the expansion of its retail distribution network; – Approximately HK\$5.1 million for product development; and – Approximately HK\$4.7 million for general working capital of the Group

Save for the above, the Company has not completed any other fund raising activities in the past twelve months before the date of this announcement.

REFRESHMENT OF GENERAL MANDATE TO ISSUE AND ALLOT SHARES

The General Mandate will almost be fully utilized for the issuance of the Subscriber Conversion Shares.

In order to provide a flexible means for the Company to raise further funds for investment or working capital and/or to procure potential acquisition opportunities for its future business development through the issue of new Shares, the Board wishes to seek approval from the New Issue Independent Shareholders at the EGM to refresh the General Mandate for the Directors to issue and allot new Shares up to 20% of the issued share capital of the Company as at the date of the EGM.

On the basis of 1,247,001,488 Shares in issue as at the date hereof and assuming there is no change in the issued share capital of the Company until the date of the EGM, the New Issue Mandate (if granted) will empower the Directors to issue and allot up to a maximum of 249,400,297 new Shares.

The refreshment of the General Mandate is proposed to the Shareholders prior to the Company's next annual general meeting, and therefore, pursuant to Rule 17.42(A) of the GEM Listing Rules, the New Issue Mandate will be subject to the New Issue Independent Shareholders' approval by way of poll at the EGM. The controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company are required to abstain from voting in favor of the resolution to approve the New Issue Mandate.

EGM

The EGM will be convened to approve i) the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) by the Subscription Independent Shareholders; and ii) the New Issue Mandate by the New Issue Independent Shareholders by poll. Far East and its associates will abstain from voting in respect of the relevant resolution approving the Far East Subscription Agreement and the transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) and the controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company are required to abstain from voting in favor of the resolution to approve the New Issue Mandate at the EGM.

GENERAL

The principal business activities of the Group are brand development and distribution businesses targeting markets in the Greater China region. Through holding equity interest, licensing rights or franchised distribution rights, the Group currently operates four international brands – Anya Hindmarch, Cynthia Rowley, Life of Circle and Paule Ka – covering products from apparel, accessories to jewelry and gifts.

An independent board committee comprising all the independent non-executive Directors has been established to consider the terms of the Far East Subscription Agreement transaction contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares) and the New Issue Mandate. An independent financial adviser will be appointed to advise the independent board committee and the Subscription Independent Shareholders in relation to the terms of the Far East Subscription Agreement and transactions contemplated thereunder (including the specific mandate to issue and allot the Far East Conversion Shares); and the independent board committee and the New Issue Independent Shareholders in relation to the New Issue Mandate. A circular containing, among others, further details on the Far East Subscription Agreement, the Far East Convertible Bonds, the New Issue Mandate, a letter of recommendation from the independent board committee, a letter of advice from the independent financial adviser and the notice of the EGM, will be dispatched to the Shareholders as soon as practicable in compliance with the requirements of the GEM Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 2 June 2008 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 5 June 2008.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless otherwise specified:

“associate(s)”	has the same meaning ascribed to it in the GEM Listing Rules
“Board”	the board of Directors of the Company
“Bondholder(s)”	at any time the person who is (are) for the time being the registered holder(s) of the Far East Convertible Bonds or Subscriber Convertible Bonds
“Business Day”	a day (excluding Saturday and Sunday) on which banks in Hong Kong are open for business
“Company”	Golife Concepts Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the GEM
“Convertible Bonds”	The Far East Convertible Bonds and the Subscriber Convertible Bonds
“Conversion Price”	conversion price of the Convertible Bonds, being HK\$0.025 per Share, subject to adjustment
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve the Far East Subscription Agreement and the transactions contemplated thereunder and the refreshment of the General Mandate
“Far East”	Far East Holdings International Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange. It is interested in 11.98% of the Company as at the date of this announcement
“Far East Subscription Agreement”	the subscription agreement dated 30 May 2008 entered into by the Company and Far East in relation to the Far East Convertible Bonds in the principal amount of HK\$7,000,000 to be issued by the Company
“Far East Conversion Share(s)”	the Shares falling to be issued by the Company under the Far East Convertible Bonds (upon exercise of the conversion right attached thereof by a Bondholder pursuant to the Far East Subscription Agreement)

“Far East Convertible Bonds”	the convertible bonds in principal amount of HK\$7,000,000 with 2% coupon for a period of three years to be issued by the Company to Far East pursuant to the Far East Subscription Agreement
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“General Mandate”	The general mandate granted to the Directors at the 2008 annual general meeting of the Company held on 23 May 2008 to allot and issue up to 249,400,297 Shares based on 1,247,001,488 Shares in issue as at the date of the 2008 annual general meeting of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the Listing Committee of the Stock Exchange
“JL Investments”	JL Investments Capital Ltd., an independent third party not connected to each of the Company and connected persons of the Company as at the Latest Practicable Date
“Maturity Date”	the third anniversary of the date of the issue of the Far East Convertible Bonds and the first anniversary of the date of the issue of the Subscriber Convertible Bonds
“New Issue Mandate”	the general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with Shares up to 20% of the issued shares capital of the Company as at the date of the EGM
“New Issue Independent Shareholders”	Shareholders other than the controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) as recorded on the registers of members of the Company

“Subscription Agreements”	The Far East Subscription Agreement and the Subscriber Subscription Agreement
“Subscription Independent Shareholders”	Shareholders other than Far East and its associates
“Subscriber Subscription Agreement”	the subscription agreement dated 30 May 2008 entered into by the Company and JL Investments in relation to the Subscriber Convertible Bonds in the principal amount of HK\$6,200,000 to be issued by the Company
“Subscriber Convertible Bonds”	the convertible bonds in principal amount of HK\$6,200,000 with 2% coupon for a period of one year to be issued by the Company to JL Investments pursuant to the Subscriber Subscription Agreement
“Subscriber Conversion Share(s)”	the Shares falling to be issued by the Company under the Subscriber Convertible Bonds (upon exercise of the conversion right attached thereof by a Bondholder pursuant to the Subscriber Subscription Agreement)
“subsidiary”	has the meaning ascribed to it in section 2(4) of the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Ms. GOUW San Bo Elizabeth
Chief Executive Officer and Executive Director

Hong Kong, 4 June 2008

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely, Ms. GOUW San Bo Elizabeth and Mr. Richard YEN; two non-executive directors, namely Mr. LO Mun Lam, Raymond and Mr. Duncan CHIU; and three independent non-executive directors, namely Mr. LUM Pak Sum, Mr. SUM Chun Ho and Mr. WAN Kwok Pan.

This announcement, for which the directors of the Company 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 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 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.