Great Group Holdings Limited
Company Registration No. 200804077W
(Incorporated in the Republic of Singapore)

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

The Board of Directors (the "**Board**" or "**Directors**") of Great Group Holdings Limited (the "**Company**" and together with its subsidiaries the "**Group**") wishes to announce that the Company had on 23 April 2014 entered into a Sale and Purchase Agreement (the "**Sale and Purchase Agreement**") with G&W Investment Management Co., Ltd. (the "**Purchaser**"), pursuant to which, the Company has agreed to sell and the Purchaser to purchase all of the Company's interest in the equity and share capital (the "**Sale Shares**") in the following directly and indirectly owned Subsidiaries of the Company (the "**Proposed Disposal Transaction**"):-

(i) Fujian Great Fashion Industry Co Ltd ("**Fujian Great**");
(ii) Quanzhou Great Garments Co., Ltd ("**Quanzhou Great**");
(iii) Great Worldwide (Tradings) Limited ("**Great Worldwide**");
(iv) Great (Hong Kong) Limited ("**Great Hong Kong**");
(v) Grixpro Trading (Xiamen) Co. Limited ("**Grixpro**");
(vi) Great (Fujian) Textile Technology Co Ltd ("**Great Fujian Textile**");
(vii) Great Fashion Trading (Shanghai) Limited ("**Great Fashion**"); and
(viii) Great Brand Management Limited ("**Great Management**"),

(each a "**Sale Entity**" and collectively the "**Sale Entities**").

Under the terms of the Sale and Purchase Agreement, the sale and purchase of the Sale Shares shall be effected by way of a sale and purchase of all of the issued shares in the Company by way of a scheme of arrangement (the "**Scheme**") to be undertaken by the Company pursuant to Section 210 of the Companies Act (Chapter 50), and pursuant to the terms of an Implementation Agreement.

The Group is currently engaged in the following business segments:

(a) the business of manufacturing and sale of men's and women's undergarments ("**Contract Manufacturing Business**"), carried out by the Sale Entities; and

(b) the business in fashion branding and marketing in the branded fashion industry (the "**Brands Solutions Business**") carried out by namely Great Holding Limited, 3W Life Investment Pte Ltd, Fashvacation Pte Ltd, Sinex Solutions Limited, Basic World Resources Pte Ltd and 183Art Media Pte Ltd. ("**Retained Entities**")

It is the intention of the Group that upon completion of the Sale and Purchase Agreement the Group would have divested the Sale Entities engaged in the Contract Manufacturing Business, and retain and continue to develop the Retained Entities.

In furtherance of the Sale and Purchase Agreement, the Company had also on 23 April 2014 entered into an implementation agreement (the "**Implementation Agreement**") with 3W Life

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

Pte. Ltd. ("**3W Life**") in relation to the proposed restructuring of the Company (the "**Proposed Restructuring**"), to be effected by way of the Scheme. Pursuant to the terms of the Implementation Agreement, 3W Life will acquire all the existing issued and ordinary shares in the Company ("**Shares**") held by the shareholders of the Company ("**Shareholders**") as at a time and date (the "**Books Closure Date**") to be determined by the Company and 3W Life for the purposes of determining entitlements of Shareholders in respect of the Scheme, in consideration for the allotment and issue of new ordinary shares in the capital of 3W Life ("**3W Life Shares**") on the basis of one (1) 3W Life Share for every one (1) Share.

The Sale and Purchase Agreement provides that upon completion of the Scheme, the Sale Entities shall be expanded to include the Company and Sale Shares shall include all of the issued shares in the Company. Upon completion of the Scheme, the Retained Entities will be transferred to 3W Life. 3W Life will thereafter proceed to dispose of all the issued Shares in the Company, with the Company holding no assets other than the Sale Entities.

Please refer to Section A below for more details of the Sale and Purchase Agreement and the Proposed Disposal Transaction, and to Section B below for more details on the Proposed Restructuring and the Scheme. For the purposes of this announcement, the foreign exchange rate used will be $1: RMB 4.9.

A PROPOSED DISPOSAL TRANSACTION

1. KEY TERMS OF THE SALE AND PURCHASE AGREEMENT

1.1 Sale and Purchase

Subject to the terms and conditions in the Sale and Purchase Agreement, the Company shall sell and the Purchaser shall purchase, all of the legal and beneficial interest in the Sale Shares, to be effected by way of a sale and purchase of all of the issued shares in the Company by way of the Scheme, and pursuant to the terms of the Implementation Agreement, such sale and purchase of all the issued shares in the Company to be on the basis that the Company's sole assets as at Completion shall be its interest in the Sale Shares and without any liabilities, with all other assets and liabilities transferred, assigned and/or novated to 3W Life.

Upon completion of the Scheme, the Retained Entities will be transferred to 3W Life. The Retained Entities will not be sold pursuant to the Proposed Disposal Transaction.

Upon completion of the Scheme, 3W Life shall as from such time assume all the liabilities and obligations, and be entitled to all the rights, arising under or in connection with the Sale and Purchase Agreement.

The Sale Shares (including upon completion of the Scheme, all the issued Shares in the Company) shall be sold free from all encumbrances and together with all rights, dividends, benefits and entitlements attaching thereto as from completion of the Proposed Disposal Transaction (the "**Completion**"). And upon Completion, the Purchaser shall procure that each of the Sale Entities irrevocably waives and terminates all debts, liabilities and obligations owing or owed by the Company and each of its subsidiaries as at Completion, to the Sale Entities.

1.2 Consideration

The consideration payable by the Purchaser for the purchase of the Sale Shares (including upon completion of the Scheme all of the issued shares in the Company) shall be the aggregate amount of S$250,000 (approximately RMB 1.23 million) (the "**Consideration**"), which shall be payable by the Purchaser upon Completion in cash.

1.3 Conditions Precedent

Pursuant to the Sale and Purchase Agreement, Completion is conditional upon satisfaction of the following conditions being fulfilled or waived, as relevant on or before the Completion date:-

(a) the Sale Entities having, as at and since 31 December 2013 to Completion, a consolidated net liability position based on Singapore Financial Reporting Standards, as determined by the Company;

(b) there being no tax liability imposed on 3W Life as a result of the sale of the Sale Entities, whether in Singapore, PRC or elsewhere;

(c) the Scheme being approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the High Court of Singapore (the "**High Court**") and the Shareholders, where such approval is necessary or in the view of the Company desirable, and where approval is granted subject to any conditions, such conditions being reasonably acceptable to Company;

(d) the approval of the Shareholders being obtained at an extraordinary shareholders meeting of the Company (or any adjournment thereof) in respect of the Proposed Disposal Transaction;

(e) upon Completion, the SGX-ST will not rule 3W Life as a cash company where its assets consist wholly or substantially of cash or short-dated securities pursuant to Rule 1303(2) of the Listing Manual of the SGX-ST ("**Listing Manual**");

(f) the execution of any necessary deeds of waiver and release, in form and on terms and by such persons as notified by the Company to the Purchaser, relating to the waiver and discharge of the debts, liabilities and obligations referred to above;

(g) all necessary approvals of any third party in the view of the Company necessary or desirable in connection with the Proposed Disposal Transaction; and

(h) the Purchaser having performed all of the covenants and undertakings required to be performed by it under the Sale and Purchase Agreement on or before the Completion (other than those required to be performed at Completion).

In the event the conditions precedent set out above shall not have been fulfilled on 31 December 2014 (unless waived by the relevant Party), then the provisions of the Sale and Purchase Agreement shall from such date cease and determine.

1.4 Completion

Subject to the conditions precedent being fulfilled or waived, Completion shall take place on the date of Completion at the office of the Company's solicitors or such other venue as agreed between the Parties. Subject to there having been Completion, all risk and rewards associated with the Sale Shares shall as from 1 January 2014 pass to the Purchaser.

2. THE PROPOSED TRANSACTION CONSTITUTES AN INTERESTED PERSON TRANSACTION

The sole shareholder of the Purchaser, namely Weng Wenwei ("**Mr Weng**") is a Controlling Shareholder (as defined in the Listing Manual) and Director of the Company and therefore, Mr Weng is an interested person ("**Interested Person**") for the purpose of Rule 904(4) of the Listing Manual. Accordingly, the Proposed Disposal Transaction constitutes an "**interested person transaction**" pursuant to Chapter 9 of the Listing Manual.

In accordance with Chapter 9 of the Listing Manual, shareholders' approval must be obtained for any interested person transactions of a value which is equal to or greater than 5% of the Group's latest audited net tangible asset ("**NTA**") or when aggregated with other interested person transactions during the same financial period, the value is equal to or more than 5% of the Group's latest audited NTA. In obtaining such approval,

the Interested Person and its associates are required to abstain from voting on the resolution approving the transaction.

Based on the Group's latest audited accounts for the financial year ended 31 December 2013 ("**FY2013**"), the Group had an NTA of approximately RMB 13.0 million (approximately S$2.65 million). The Consideration for the Proposed Disposal Transaction is S$250,000 (approximately RMB 1.23 million), which is more than 5% of the NTA of the Group. Pursuant to Chapter 9 of the Listing Manual, the Proposed Disposal Transaction is therefore subject to approval of the independent Shareholders' as an interested person transaction.

3. THE PROPOSED TRANSACTION CONSTITUTES A MAJOR TRANSACTION

3.1 Based on the audited consolidated financial statements of the Group for FY2013, the relative figures of the Proposed Disposal Transaction computed on the bases set out in Rule 1006 of the Listing Manual are as follows:-

1006(a)	The net asset value of the assets to be disposed of compared with the group's net asset value	16.1%[(1)]
1006(b)	The net loss attributable to the assets acquired or disposed of, compared with the group's net loss	122.2%[(2)]
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalization	4.29%[(3)]
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	N.A.

Notes:

(1) This is computed based on the unaudited net liability value of the Sale Entities (including the Company, on the basis that the Company has no liabilities and has as its sole assets the Sale Shares in the Sale Entities) as at 31 December 2013 amounting to approximately RMB 6.77 million (approximately S$1.38 million) divided by the Group's audited net asset value as at 31 December 2013 of RMB 41.94 (approximately S$8.56 million).

(2) This is computed based on the unaudited net loss of the Sale Entities (excluding the Company) for FY2013 amounting to approximately RMB 294.4 million (approximately S$60.1 million) divided by the Group's audited net loss for FY2013 amounting to approximately RMB 240.9 million (approximately S$49.2 million).

(3) This is computed based on the aggregate value of the consideration amounting to S$250,000 (approximately RMB 1.23 million) divided by the Company's market capitalisation as at 23 April 2014, being the date immediately preceding the date of the Sale and Purchase Agreement amounting to S$5.83 million.

As the relative figures computed on the bases set out in Rule 1006(b) of the Listing Manual exceed, on an absolute basis, 20%, the Proposed Disposal Transaction is considered a "major transaction" under Rule 1014 of the Listing Manual and pursuant to Rule 1014 of the Listing Manual, the Proposed Disposal Transaction shall be conditional upon approval by shareholders of the Company at the EGM.

3.2 Pursuant to Rule 1014 of the Listing Manual, the information to be provided in Rule 1010 of the Listing Manual is set out below:-

(a) <u>Rule 1010 (1)</u> Particulars of the assets acquired or disposed of, including the name of any company or business, where applicable

The Proposed Disposal Transaction involves the sale of all legal and beneficial interests in the equity and share capital in the Sale Entities.

The particulars of the Sale Entities are as follows:-

Name of the Sale Entity	**Date of Incorporation**	**Registered and Paid up Capital/Issued and Paid up Capital**
Company		
Fujian Great	27th May 2005	HK$ 15 million
Quanzhou Great	31st July 2000	HK$ 10 million
Great Worldwide	10th February 2009	US$ 1
Great (Hong Kong)	17th February 2011	HK 10,000
Grixpro	5th July 2011	US$ 500,000
Great Fujian Textile	28th November 2013	RMB 50 million
Great Fashion	26th April 2010	US$ 1 million
Great Management	25th January 2011	US$50,000

(b) <u>Rule 1010 (2)</u> A description of the trade carried on, if any

The Sale Entities are engaged in the Contract Manufacturing Business.

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

(c) Rule 1010 (3) The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment.

The total Consideration to be paid by the Purchaser for the entire Sale Shares is S$250,000 (approximately RMB 1.23 million). The total Consideration shall be paid by the Purchaser to the Company in cash on Completion.

The Consideration was arrived on a willing buyer and willing seller basis after taking into consideration the net tangible liability value of the Sale Entities as at 31 December 2013 of RMB 23.3 million (approximately S$4.75 million), based on the unaudited proforma consolidated financial results of the Sale Entities as at such date.

(d) Rule 1010 (4) Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof.

Please refer to paragraph 1.3 above for the conditions precedent to the Proposed Disposal Transaction.

Pursuant to the Sale and Purchase Agreement, the Purchaser has also undertaken that:

(i) In the event that the Purchaser or any Sale Entity receives any amounts from Collect Source HK Limited and Sparkle-Tex Limited, in respect of any trade receivables due and owing from such customer to such Sale Entity on or prior to 31 December 2013 that had been written off by the Company on or prior to 31 December 2013, the amount received shall be paid over to 3W Life; and

(ii) In the event that 3W Life elects to initiate legal proceedings against Collect Source HK Limited and Sparkle-Tex Limited, in respect of any trade receivables due and owing from such customer to such Sale Entity on or prior to 31 December 2013 that had been written off on or prior to 31 December 2013, the Purchaser and/or the relevant Sale Entity shall use their best endeavours to assist 3W Life in such legal proceedings at the costs and expenses of 3W Life.

(e) Rule 1010 (5) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation

Based on the audited consolidated financial statements of the Group for FY2013, the book value, net tangible liability value and the latest available fair market value of the Sale Entities are as follows:-

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

	RMB
Book Value (net liability)	(6.766 million) (approximately S$1.38 million)
Net Tangible (Liability)	(23.273 million) (approximately S$ 4.75 million)
Latest available open market value	N.A.

A valuation was carried out by Fujian Guangming Assets Assessment & Real Estate Appraisal Co; Ltd on 13th January 2013 and 31st December 2013 of Fujian Jiangnan Hightech Information Industrial Zone (the "**JHIIZ leasehold property**"), held by Fujian Great. Based on the valuation reports issued ("**Valuation Reports**"), the fair market value of the JHIIZ leasehold property as at 13th January 2013 and 31st December 2013 was RMB 50.73 million and RMB 41.90 million respectively. The book value of the Sale Entities (net liability) of RMB 6.766 million (approximately S$1.38 million) is after taking into consideration the fair market value of the JHIIZ property as at 31 December 2013 of RMB 41.9 million.

(f) **Rule 1010 (6) In the case of a disposal, the excess or deficit of the proceeds over the book value and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of funds for the acquisition**

The Consideration represents an excess of approximately RMB 8.0 million (approximately S$1.63 million) over the book value (net liability value) of the Sale Entities as at 31 December 2013. Upon Completion, the Company intends to use the net proceeds received from the Proposed Disposal Transaction towards expenses incurred in connection with the Proposed Disposal Transaction and Proposed Restructuring.

(g) **Rule 1010(7) The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal**

Based on the unaudited consolidated financial statements of the Sale Entities for FY2013 the net loss attributable to the Sale Entities is approximately RMB 294.5 million (approximately S$60.1 million).

The net loss attributable to equity holders arising from the Proposed Disposal Transaction is approximately RMB 2.03 million (approximately S$0.41 million).

(h) **Rule 1010(8) and 1010(9) The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year**

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

The financial effects of the Proposed Disposal Transaction on the Group set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after the completion of the Proposed Disposal Transaction.

(i) Share Capital

The Proposed Disposal Transaction would not impact the issued share capital and the number of Shares of the Company.

(ii) NTA

Assuming that the Proposed Disposal Transaction had been completed on 31 December 2013 and based on the Group's audited consolidated financial statements for FY2013, the effects on the NTA per Share of the Group are as follows:

As at FY2013	Before the Proposed Disposal Transaction	After the Proposed Disposal Transaction
NTA attributable to equity holders of the Company (RMB'000)	12,704	35,977
Number of issued shares of the Company ('000)	265,000	265,000
NTA per Share – RMB cents	4.79	13.58

(iii) (Loss)/Earning Per Share

Assuming that the Proposed Disposal Transaction had taken place on 1 January 2013 and based on the Group's audited consolidated financial statements for FY2013, the Proposed Disposal Transaction would have the following effects on the Group's (loss)/earning per Share as presented in the following table:

As at FY2013	Before the Proposed Disposal Transaction	After the Proposed Disposal Transaction
Consolidated net loss (RMB'000)	(240,915)	(1,740)
Consolidated net	(241,206)	(2,031)

loss attributable to equity holders of the Company (RMB'000)		
Weighted average Share Capital of the Company ('000)	265,000	265,000
Loss Per Share attributable to equity holders of the Company - RMB cents	(91.02)	(0.766)

(iv) Gearing

Assuming that the Proposed Disposal Transaction had taken place on 31 December 2013 and based on the Group's audited consolidated financial statements for FY2013, the Proposed Disposal Transaction would have the following effects on the Group's gearing as presented in the following table:

As at FY2013	Before the Proposed Disposal Transaction	After the Proposed Disposal Transaction
Gearing (Borrowings) RMB'000	266,979	-

(i) Rule 1010 (10) The rationale for the transaction, including the benefits which are expected to accrue to the issuer as a result of the transaction

The Company considers the Proposed Disposal Transaction to be commercially beneficial for the Company due to the following reasons:-

(i) The Sale Entities mainly comprise the companies in the Group engaged in the Contract Manufacturing Business.

(ii) The Sale Entities have been loss making for the past two (2) financial years ended 31 December 2012 and 31 December 2013. For the financial years ended 31 December 2012 and 31 December 2013, the net loss associated with the Sale Entities amounted to approximately RMB 123.5 million and RMB 294.5 million respectively.

(iii) The poor performance of the Sale Entities is exacerbated by the business difficulties faced by the customers of the Group, resulting in difficulties with collections faced by the Sale Entities of accounts receivables.

(iv) There is currently no reasonable prospects in the near term of a revival of the Contract Manufacturing Businesses of the Sale Entities.

(v) While it may be possible to reduce losses, or improve profitability, through higher volumes, this would require substantial working capital and capital expenditure. In the absence of clear indications that the industry that the Sale Entities are poised for an upturn in the short term, the Board does not consider it feasible to invest further money in the Sale Entities as the returns on investment are likely to be reaped only in the long term.

(vi) The Consideration represents a premium of approximately RMB 8.0 million (S$1.63 million) over the net liability value of the Sale Entities. Having regard to the need of the Company to inject further working capital into the Sale Entities and the premium agreed to be paid by the Purchaser, the Board considers the Proposed Disposal Transaction to be in the interests of the Company.

(vii) The Proposed Disposal Transaction would improve the gearing of the Group from RMB 267 million (S$54.5 million) as at 31 December 2013 to nil, assuming the Proposed Disposal Transaction is completed on such date.

(j) <u>Rule 1010(11)</u> Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests

Save for Mr Weng and his associates as disclosed in paragraph 2 above, none of the Directors or any Substantial Shareholder (as defined in the Listing Manual) of the Company or their respective associates has any interest, whether direct or indirect, in the Proposed Disposal Transaction.

(k) <u>Rule 1010(12)</u> Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction

There are no directors proposed to be appointed to the Company in connection with the Proposed Disposal Transaction. Accordingly, there is no service contract entered into.

B. <u>PROPOSED RESTRUCTURING AND SCHEME</u>

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

4. INFORMATION ON THE COMPANY AND 3W LIFE

As at the date of this announcement, the issued share capital of the Company is S$23,895,902, comprising 265,000,000. In addition, the Company has:

(i) 30,000,000 outstanding warrants issued to SAPO Investment Pte. Ltd ("**SAPO Investment**") which upon full exercise will result in the issuance of 30,000,000 Shares;

(ii) granted 8,700,000 performance shares awards, pursuant to the Company's Great Group Performance Share Scheme which as at the date of this letter have not vested; and

(iii) 10,000,000 shares to be issued pursuant to the acquisition of Sinex Solutions Limited by the Company.

As at the date of this announcement, 3W Life does not hold, directly and indirectly, any Shares in the capital of the Company.

3W Life was incorporated on 25th March 2014 as a private limited company in Singapore. It is intended that 3W Life shall be converted into a public company limited by shares prior to the Court Meeting (as defined below) being convened. As of the date of this announcement, the issued share capital of 3W Life is S$1.00 comprising one (1) ordinary share held by G&W Investment Management Co., Ltd. (the "**Subscriber Shareholder**"), the investment holding company of Mr Weng, who is also the Controlling Shareholder of the Company.

Subject to the completion of the Proposed Restructuring, the number of issued 3W Life Shares will be increased by the number of new 3W Life Shares issued pursuant to the Scheme. As of the date of this announcement, 3W Life does not have any convertible securities.

As at the date of this announcement, 3W Life has one director, being Mr Weng, who is currently the Executive Chairman of the Company. The other existing Directors of the Company, namely Ms Lee Kim Lian, Juliana, Mr Chiang, Mike Chia-Peng and Mr San Meng Chee, will also be appointed to the board of directors of 3W Life on or prior to the Effective Date (as defined below). Mr Lim Yeow Hua, who intends to retire at the forthcoming annual general meeting of the Company and not seek re-election, will not be appointed to the board of directors of 3W Life.

5. THE SCHEME

The Scheme will involve, inter alia, the following:

(a) the transfer of all the Shares held by the Shareholders as at the Books Closure Date to 3W Life; and

(b) in consideration of the transfer of the Shares held by the Shareholders, 3W Life will allot and issue to the Shareholders such number of new 3W Life Shares, credited as fully paid, on the basis of one (1) new 3W Life Share for every one (1) Share held by each Shareholder as at the Books Closure Date.

Pursuant to the Scheme, the Shares are to be transferred by the Shareholders to 3W Life (i) fully paid; (ii) free from any charge, mortgage, liens, hypothecation, judgment, encumbrance, easement, security, title retention, preferential right, trust arrangement, rights of pre-emption or any other third party rights or interests of any nature whatsoever or other security interest ("**Encumbrances**"); and (iii) together with all rights, benefits and entitlements attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared, paid or made by the Company on or after the date of this announcement, save for any dividends that may be paid by the Company prior to the Books Closure Date.

The Scheme is subject to, *inter alia*, the approval of a majority in number of the Shareholders holding not less than 75 per cent. (75%) in value of the Shares present and voting (either in person or by proxy) at the Shareholders' meeting to be directed by the High Court and any adjournment thereof (the "**Court Meeting**"). Upon the approval of the Shareholders, the Scheme has to be sanctioned by the High Court and thereafter the order of the High Court has to be lodged with the Accounting and Corporation Regulatory Authority of Singapore. Once effected, the Scheme and the Proposed Restructuring will be binding on the Company and all Shareholders (the "**Effective Date**").

The new 3W Life Shares shall be allotted and issued by 3W Life on the basis of one (1) new 3W Life Share for every one (1) Share held by each Shareholder as at the Books Closure Date and shall be duly authorized, validly issued, credited as fully paid up, free from any Encumbrances, and shall rank *pari passu* in all respects with one another as well as with all other issued 3W Life Shares.

As the Subscriber Shareholder holding one (1) 3W Life Share is also a Shareholder of the company, the Subscriber Shareholder will be granting an undertaking to the Company and 3W Life to waive its right to receive one (1) new 3W Life Share out of the total number of 3W Life Shares to be issued to the Subscriber Shareholder pursuant to the Scheme (the "**Subscriber Shareholder Undertaking**").

6. EFFECTS OF THE SCHEME AND THE PROPOSED RESTRUCTURING

The Scheme and the Proposed Restructuring involve the exchange of new 3W Life Shares for Shares on the basis of one (1) new 3W Life Share for every one (1) Share held by each Shareholder as at the Books Closure Date.

The Proposed Restructuring is purely an internal restructuring exercise undertaken by the Company and 3W Life to facilitate a migration of the shareholding interests of the Shareholders from an interest in the shareholding and capital of the Company to an interest in the shareholding and capital of 3W Life. Therefore, the Proposed Restructuring will not cause or result in any substantive change in the shareholding composition or shareholding interests of the Shareholders, as the number of shareholders and shareholding composition of 3W Life immediately after the completion of the Proposed Restructuring will be the same as that of the Company prior to the completion of the Proposed Restructuring.

As the principal asset of 3W Life immediately after the completion of the Proposed Restructuring will be the Company and its subsidiaries, the Scheme and the Proposed Restructuring will not cause or result in any substantive change in the financial position of 3W Life and its subsidiaries (the "**3W Life Group**") compared to that of the Company prior to the Proposed Restructuring. In particular, the aggregate assets and liabilities of the 3W Life Group after the completion of the Proposed Restructuring will be substantially the same as that of the Company prior to the completion of the Proposed Restructuring, save for expenses incurred in connection with the Proposed Restructuring.

Upon the completion of the Proposed Restructuring, subject to all required regulatory approvals, it is intended that the Company's listing status will be transferred to 3W Life, and the 3W Life Group will continue to own and operate the Contract Manufacturing Business and the Brands Solutions Business of the Group. It is also the intention of the Group to transfer the companies currently engaged in the Brands Solutions Business, namely the Retained Entities, to 3W Life. 3W Life will therefore hold, as distinct groups of companies under itself, the Sale Entities engaged in the Contract Manufacturing Business and the Retained Entities engaged in the Brands Solutions Business. The Sale Entities and the Company will then be disposed of pursuant to the Proposed Disposal Transaction described in Section A above.

Further information on the Proposed Restructuring and the terms and conditions upon which the Scheme will be implemented will be set out in the Circular (as defined below) to be despatched by the Company to the Shareholders in due course.

7. RATIONALE AND BENEFITS OF THE PROPOSED RESTRUCTURING

At present, the Company is the listed vehicle carrying out the following business segments:

(i) the Contract Manufacturing Business; and

(ii) Brands Solutions Business.

Following the Scheme and the Proposed Restructuring, the Company will relinquish its status as a listed company and become a wholly-owned subsidiary of 3W Life. The Proposed Restructuring enables the establishment of the following corporate structure:

(a) 3W Life becomes an investment holding company owning 100% of the issued share capital of the Company, where 3W Life is the listed vehicle in place of the Company;

(b) With the Sale Entities engaged in the Contract Manufacturing Business held under the Company, and Retained Entities held by 3W Life.

The Board is of the view that the Proposed Restructuring will allow the Group to proceed with the Proposed Disposal Transaction. Please see paragraph 3.2(i) for the rationale and benefits to the Group of undertaking the Proposed Disposal Transaction. In particular, the Sale Entities (not including the Company) have been loss making for the past two (2) financial years ended 31 December 2012 and 31 December 2013. For the financial years ended 31 December 2012 and 31 December 2013, the net loss associated with the Sale Entities amounted to approximately RMB 123.5 million and RMB 294.5 million.

Taking into account all costs and benefits of undertaking the disposal of the Sale Entities by way of the Scheme and Proposed Restructuring instead of a direct disposal of the Sale Entities, the Directors are of the view that it is in the interests of the Company that the Sale Entities are disposed off by way of the Scheme.

8. OTHER MATTERS RELATING TO THE PROPOSED RESTRUCTURING

8.1 Outstanding Share Awards under the Great Group Performance Share Scheme

As at the date of this announcement, the Company has granted 8,700,000 outstanding performance share awards pursuant to the Great Group Performance Share Scheme ("**Great Group Share Awards**"), but none of the Great Group Share Awards have vested. Pursuant to the Implementation Agreement, the Company and 3W Life agree that, subject to the relevant approvals of the Shareholders and the shareholder(s) of 3W Life being obtained and the entry into the Variation Agreements by the relevant holders of

the Great Group Share Awards ("**Great Group Share Award Holders**"), the Great Group Share Award Holders will continue to enjoy the same position or benefits under the Great Group Share Awards in 3W Life after the completion of the Scheme and the Proposed Restructuring as they would have in the Company prior to the completion of the Scheme and the Proposed Restructuring.

The Company and 3W Life intends to seek the agreement and consent of each of the Great Group Share Award Holders for the variation or amendment of the Great Group Share Awards granted to each of them by way of entry into of variation agreements ("**Variation Agreements**"), pursuant to which the parties will agree that from the Effective Date:

(a) all references in all applicable documents relating to the Great Group Share Awards to Shares shall be varied, amended and be deemed and construed to be references to 3W Life Shares;

(b) the Great Group Share Awards shall be subject to the terms of the 3W Life Performance Share Scheme to be adopted in place of the Great Group Performance Share Scheme; and

(c) save for such amendments, all other terms and conditions and performance targets in relation to the Great Group Share Awards shall remain the same.

(collectively, the "**Proposed Share Awards Variations**")

In order to give effect to the Proposed Share Awards Variations, 3W Life will also be a party to the Variation Agreements pursuant to which, inter alia:

(a) 3W Life will agreed to allot and issue the relevant 3W Life Shares to the participants of the Great Group Performance Share Scheme on the same terms and conditions under the Great Group Share Awards, pursuant to the vesting of the Great Group Share Awards by the achievement of the performance targets under the Great Group Share Awards; and

(b) the Company's obligations under the Great Group Share Awards shall be deemed satisfied and discharged upon the allotment and issuance of 3W Life Shares by 3W Life as aforesaid.

Pursuant to the Variation Agreements and assuming the vesting of the Great Group Share Awards as varied by the Variation Agreements, the Great Group Share Award Holders will become shareholders of 3W Life, holding the same number of shares in 3W Life after the completion of the Scheme and the Proposed Restructuring as the number

of Shares to be issued as provided under the existing terms of the Great Group Share Awards.

The obligations of the Company and 3W Life under the Variation Agreements shall be subject to and conditional upon, inter alia, the Scheme becoming effective and the approvals of the Shareholders and the shareholder(s) of 3W Life being obtained.

8.2 **Termination of the Great Group Performance Share Scheme**

Subject to the Scheme becoming effective, the committee appointed by the Board of the Company to administer the Great Group Performance Share Scheme shall terminate the Great Group Performance Share Scheme with effect from the Effective Date.

8.3 **Adoption of the 3W Life Performance Share Scheme**

Subject to, *inter alia*, the Scheme being effective and the approval of the shareholder(s) of 3W Life being obtained, 3W Life proposes to adopt and implement an employee performance share scheme for 3W Life, the 3W life Performance Share Scheme, with effect from the Effective Date. The terms of the 3W Life Performance Share Scheme will be substantially the same as the terms of the Great Group Performance Share Scheme. The size of the 3W Life Performance Share Scheme will be limited to the permissible thresholds under the Listing Manual less the number of 3W Life Shares issuable in respect of the Great Group Share Awards granted under the Great Group Performance Share Scheme. Further information on the proposed 3W Life Performance Share Scheme will be set out in the Circular.

9. CONDITIONS PRECEDENT

The Proposed Restructuring will be subject to the fulfillment of, inter alia, the following conditions precedent:

(a) the approval of the Scheme by a majority in number of Shareholders present and voting, either in person or by proxy, at the Court Meeting convened to approve the Scheme and any adjournment thereof, such majority holding not less than 75 per cent (75%) in value of the Shares held by the Shareholders present and voting either in person or by proxy at the Court Meeting;

(b) the grant of the order by the High Court sanctioning the Scheme, pursuant to Section 210(3) of the Companies Act, and a copy of such order being lodged with the Accounting and Corporate Regulatory Authority of Singapore;

(c) all consents, waivers, approvals and confirmations which are necessary or required to be obtained by the Company from any third parties or governmental agencies or under all applicable laws and regulations in connection with the Scheme and the Proposed Restructuring having been obtained or completed or terms satisfactory to the Company, and such consents, waivers and approvals not being revoked prior to the Effective Date;

(d) the Company obtaining the required approvals and confirmations from the Monetary Authority of Singapore for a prospectus exemption pursuant to the Securities and Futures Act, Chapter 289 of Singapore, on terms and conditions acceptable to the Company and such approvals or confirmations not being revoked prior to the Effective Date;

(e) the listing and quotation notice being obtained for the listing of, and quotation for, all the 3W Life Shares, including (i) up to 265,000,000 3W Life Shares, including any new 3W life Shares to be issued pursuant to the Scheme; (ii) 3W Life Shares to be issued in connection with the grant of the 8,700,000 Share Awards granted under the Great Group Performance Share Scheme and any other further awards granted under the 3W Life Performance Share Scheme; (iii) 3W Life Shares to be issued pursuant to the exercise of the Warrants granted to SAPO Investment; (iv) 3W Life Shares to be issued in connection with the acquisition by the Company of Sinex Solutions Limited; and (v) any 3W Life Shares to be issued to correspond to new Shares in the Company between the date of this announcement and the Effective Date.

(f) the conversion of 3W Life into a public company limited by shares and the adoption by 3W Life of new memorandum and articles of association in a form to be agreed between 3W Life and the Company;

(g) the approval of 3W Life Shareholder(s) for the issue and allotment of new 3W Life Shares to the Shareholders pursuant to the Scheme and the Proposed Restructuring;

(h) no injunction or other order being issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the transactions proposed herein or any part thereof;

(i) between the date of this Agreement and the Completion Date, no Prescribed Occurrence in relation to the Company or 3W Life occurs other than as required or contemplated by this Agreement. The "**Prescribed Occurrence**", in relation to

the Company and 3W Life, as the case may be, means any of the following, except for sub-paragraph (g) which shall only apply in respect of the Company:

(i) *Resolution for Winding Up:* the Company or 3W Life resolving that it would be wound up;

(ii) *Appointment of Liquidator and Judicial Manager:* the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or similar officer of the Company or 3W Life;

(iii) *Order of Court for Winding Up:* the making of an order by a court of competent jurisdiction for the winding up of the Company or 3W Life;

(iv) *Composition:* the Company or 3W Life entering into any arrangement or general assignment or composition for the benefit of its creditors generally;

(v) *Appointment of Receiver:* the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Company or 3W Life;

(vi) *Insolvency:* any event occurring which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s);

(vii) *Cessation of Business:* the Company ceases or threatens to cease for any reason to carry on business in the usual course;

(viii) *Breach of Agreement:* the Company or 3W Life bring in material breach of any provisions of the Implementation Agreement;

(ix) *Investigations and Proceedings:* if the Company or 3W Life or any of their respective directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or

(x) *Analogous Event:* the Company or 3W Life becoming or being deemed by law or a court to be insolvent or stops or suspends or threatens to stop or suspend payment of its debts; and

(j) the representations and warranties of the Company and 3W Life set out in the Implementation Agreement being true and correct in each case as of the date of the Implementation Agreement and the Company and 3W Life shall have, as of

Completion Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the completion of the Scheme and Proposed Restructuring.

10. REGULATORY APPROVALS

For the purpose of implementing the Scheme and completion of the Proposed Restructuring, the Company will be making the following applications to the relevant government and regulatory authorities:

(a) an application to the SGX-ST for a waiver from the compliance of the Company of the requirements under Chapters 2 and 13 of the Listing Manual, in relating to the listing of shares of 3W Life and the delisting of the Company upon completion of the Scheme and Proposed Restructuring;

(b) an application to the Monetary Authority of Singapore for an exemption from the requirement to issue a prospectus for the listing of shares of 3W Life under Subdivisions (2) and (3) of Division 1 of Part XIII of the Securities and Futures Act;

(c) an application to the Securities Industry Council for its ruling that the provisions of the Singapore Code on Take-overs and Mergers will not apply to the Proposed Restructuring;

(d) an application to the High Court for its order to allow the Company to hold the Court Meeting to approve the Proposed Restructuring by way of a Scheme;

(e) an application to the SGX-ST for the listing of and quotation for all 3W Life Shares to be issued in connection with the Scheme, 3W Life Shares to be issued in connection with the grant of the 8,700,000 Great Group Share Awards granted under the Great Group Performance Share Scheme and any other further awards granted under the 3W Life Performance Share Scheme, 3W Life Shares to be issued pursuant to the exercise of the Warrants granted to SAPO Investment, 3W Life Shares to be issued in connection with the acquisition by the Company of Sinex Solutions Limited, and any 3W Life Shares to be issued to correspond to new Shares in the Company between the date of this announcement and the Effective Date.

11. TERMINATION

The Implementation Agreement may be terminated at any time by either the Company or 3W Life, on or prior to completion of the Proposed Restructuring as follows:-

(a) Court order

if any court of competent jurisdiction or governmental agency has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme, the Proposed Restructuring or any part thereof, or has refused to do anything necessary to permit the Scheme, the Proposed Restructuring or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;

(b) Non-fulfilment of certain conditions

if (i) the resolutions submitted to the Court Meeting are not approved (with or without amendment) by the requisite majority of the Shareholders; (ii) the listing and quotation notice is not obtained from the SGX-ST; or (iii) the approval of 3W Life's shareholder(s) for the allotment and issuance of the new 3W Life Shares to the Shareholders pursuant to the Scheme and the Proposed Restructuring is not obtained.

(c) Breach

if the Company or 3W Life (the "**Defaulting Party**") is (i) in material breach of any provision of the Implementation Agreement, (ii) has failed to perform and comply in all material respects with any of the representations or warranties in the Implementation Agreement on or prior to the completion of the Proposed Restructuring, or (iii) has failed to perform any of the material undertakings or material obligations in the Implementation Agreement, provided that either 3W Life or the Company (the "**Non-Defaulting Party**"), as the case may be, has given written notice to the Defaulting Party of its intention to terminate the Implementation Agreement. In this circumstance, the Implementation Agreement shall be terminated on the date falling fourteen (14) business days after the date of such notice of termination, if such breach, failure, satisfaction or waiver is not being remedied to the satisfaction of the Non-Defaulting Party within that fourteen (14) days.

Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement shall terminate if any of the conditions precedent described in paragraph 9 above has not been satisfied (or, where applicable, has not been waived) by 31 December 2014.

12. FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING EXERCISE

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

12.1 For illustrative purposes only, the financial effects of the Proposed Restructuring set out below have been prepared based on the audited financial statements of the Company for FY2013. The financial effects have been prepared on the following assumptions:

(a) estimated expenses of S$850,000 (approximately RMB 4.17 million) for the Proposed Restructuring and scheme of arrangement;

(b) issue price for each new 3W Life Share is assumed to be approximately 0.04 cents, which is based on the audited NTA per share as at 31 December 2013. Pursuant to the Implementation Agreement, it is intended for the acquisition of the Company by 3W Life to be at a deemed consideration equal to the audited NTA of the Company as at 31 December 2013;

(c) nil or minimal fair value arising from the variation of the Great Group Share Awards issued pursuant to the Great Group Performance Share Scheme;

(d) no 3W Life Shares are issued pursuant to the vesting of the Great Group Share Awards issued under the Great Group Performance Share Scheme or the Warrants issued to SAPO Investment;

(e) for the purposes of computing the effect on the pro forma NTA per share of the Company and the 3W Life Group based on the audited financial statements of the Company for FY2013, assuming that the Scheme has been completed on 31 December 2013;

(f) for the purposes of computing the effect on the pro forma EPS for the Company and the 3W Life Group based on the audited financial statements of the Company for FY2013, assuming that the Scheme has been completed on 1 January 2013; and

(g) the exchange ratio of one (1) new 3W Life Share for each Share having regard to the Subscriber Shareholder Undertaking.

12.2 **Share Capital**

The effect of the Scheme on the issued share capital of the Company and 3W Life are as follows:

Before completion of the Scheme	**Upon completion of the Scheme**	
Company	**Company**	**3W Life**

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

Number of Shares	Issued share capital (S$)	Number of Shares	Issued share capital (S$)	Number of 3W Life Shares	Issued share capital (S$)
265,000,000	23,895,902	265,000,000	23,895,902	265,000,000	23,895,902[(1)]

Note:
(1) Please refer to paragraph 12.1(b) above

12.3 **(Loss)/Earning Per Share ("(L)EPS")**

The effect of the Scheme on the (L)EPS of the Company and the 3W Life Group are as follows:

	Before completion of the Scheme	Upon completion of the Scheme	
	Company	**Company**	**3W Life Group**
Loss attributable to shareholders (RMB'000)	(241,206)	(2,031)	(6,196)
Weighted average number of shares	265,000,000	265,000,000	265,000,000
Basic LPS (RMB cents)	(91.02)	(0.766)	(2.34)

Note:

(1) The decrease in the basic LPS of the Company and the 3W Life Group for FY2013 from LPS of RMB 0.766 cents (approximately S$0.156 cents) to LPS of RMB 2.34 cents (approximately S$0.478 cents) upon completion of the Scheme is due to estimated expenses of S$0.85 million (approximately RMB 4.17 million) to be incurred in connection with the Scheme and the Proposed Restructuring.

12.4 **NTA**

The effect of the Scheme on the NTA attributable to equity holders of the Company and the 3W Life Group are as follows:

	Before completion of the Scheme	Upon completion of the Scheme	
	Company	**Company**	**3W Life Group**
NTA attributable to	12,704	35,977	31,812

equity holders of the Company as at 31 December 2013 (RMB'000)			
NTA per share (RMB cents)	4.79	13.58	12.00

Note:

(1) The decrease in NTA per share of the Company and the 3W Life Group as at 31 December 2013 from RMB 13.58 cents (approximately S$ 2.77 cents) to RMB 12.00 cents (approximately S$ 2.44 cents) upon completion of the Scheme is due to estimated expenses of S$0.85 million (approximately RMB 4.17 million) to be incurred in connection with the Scheme and the Proposed Restructuring.

13. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

Based on the information recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders of the Company, the interests of the Directors and the Substantial Shareholders, in the Shares as at date of this announcement are as follows:

	Direct Interest		Deemed Interest		Aggregate Interest	
	('000 Shares)	%	('000 Shares)	%	('000 Shares)	%
Directors						
Weng Wenwei[(1)]	81,500	30.75	100,000	37.74	181,500	68.49
Lim Yeow Hua[(2)]	-	-	-	-	-	-
Lee Kim Lian, Juliana[(2)]	-	-	-	-	-	-
Chiang, Mike Chia-Peng	-	-	-	-	-	-
San Meng Chee	-	-	-	-	-	-
Substantial Shareholders (other than Directors)						
G&W Investment Management Co., Ltd	100,000	37.74	-	-	100,000	37.74

Notes:

(1) Mr Weng Wenwei is deemed to be interested in the Shares held by G&W Investment Management Co., Ltd by virtue of him being the sole shareholder in G&W Investment Management Co., Ltd..

(2) Messrs Lim Yeow Hua and Lee Kim Lian, Juliana have been granted 2,000,000 and 2,000,000 respectively Shares awards under the Great Group Performance Share Scheme which as at the date of this announcement has not vested.

Save as disclosed in this announcement, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Restructuring and the Scheme.

14. DOCUMENTS AVAILABLE FOR INSPECTION

The Sale and Purchase Agreement, the Implementation Agreement and Valuation Reports will be open for inspection at the Company's registered office for a period of three (3) months from the date of this announcement.

15. CIRCULAR

A circular in relation to, inter alia, the Proposed Disposal Transaction, the Scheme and the Proposed Restructuring together with a notice convening the EGM and a notice convening the Court Meeting (the "**Circular**"), will be despatched to the Company's shareholders in due course.

The Directors of the Company who are considered independent for purposes of the Proposed Disposal Transaction and the Scheme ("**Non-Interested Directors**") have appointed an independent financial adviser to advise the Non-Interested Directors on the Proposed Disposal Transaction for the purpose of making a recommendation to the Shareholders in connection with the Proposed Disposal Transaction. The Company will also be writing to the SGX-ST for its confirmation that the Scheme is not an interested person transaction. In the event that SGX-ST rules that the Scheme is an interested person transaction, an independent financial adviser will be appointed to advise the Non-Interested Directors on the Scheme.

Provenance Capital Pte Ltd has been appointed as the independent financial adviser for the purposes of the Proposed Disposal Transaction, and an independent financial adviser will be appointed for the purposes of the Scheme, if necessary.

16. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the completion of the Proposed Disposal Transaction and Proposed Restructuring is subject to, inter alia, the fulfillment of the conditions of the Sale and Purchase Agreement and the Implementation Agreement, and are therefore advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

Great Group Holdings Limited
Company Registration No. 200804077W
(Incorporated in the Republic of Singapore)

PROPOSED SALE OF THE COMPANY'S INTEREST IN THE EQUITY AND SHARE CAPITAL IN THE VARIOUS SALE ENTITIES ENGAGED IN THE GARMENT CONTRACT MANUFACTURING BUSINESS, BY WAY OF A SCHEME OF ARRANGEMENT PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE

Further announcement will be made by the Company as and when appropriate.

BY ORDER OF THE BOARD

Juliana Lee
Director
23 April 2014