



**ERATAT LIFESTYLE LIMITED
(UNDER JUDICIAL MANAGEMENT)
("COMPANY")
(Company Registration No: 200705552D)**

**APPROVAL FOR EXTENSION OF TIME TO COMPLY WITH 705(1), 705(2) and
707(1) OF THE LISTING MANUAL**

The Company refers to its announcements made on 8 July 2015, 12 November 2015 and 4 December 2015. Capitalised terms defined in these announcements have the same meaning in this announcement.

On 30 December 2015, the Company made an application to SGX-ST for an extension of time until 30 June 2016:

1. to comply with Rule 705(1) to release its FY2013 and FY2014 financial statements;
2. to comply with Rule 705(2) to release its 1Q2014, 2Q2014, 3Q2014, 1Q2015, 2Q2015 and 3Q2015 financial results; and
3. to comply with Rule 707(1) to hold its AGMs for FY2013 and FY2014.

(together "Listing Requirements")

On 30 December 2015, the Company also made an application to ACRA seeking their approval for an extension of time until 30 June 2016 to comply with, inter alia, the statutory requirements of convening the 2013 and 2014 AGMs.

On 11 January 2016, SGX-ST replied that it has no objection to the Company's application for extension of time subject to the following:

1. the Company providing updates via SGXNET on material developments in the Company, the JM's efforts to ascertain and establish the financial position of the Group and prepare the accounts of the Company, and plans of the JM to obtain necessary financial resources to comply with the Listing Requirements;
2. the Company announcing period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107;
3. submission of a written confirmation from the Company that the extension of time does not contravene any laws and regulations governing the Company and the articles of association of the Company;

4. submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and
5. the Company convening the AGM of the Company by 30 June 2016 subject to approval of the same from the ACRA.

Updates on Material Developments

As described in the announcement made by the Company on 8 July 2015, the next step of the Listing Transfer is for MCH to prepare the Information Memorandum and the Valuation Report.

To date, the JM has not yet received the Information Memorandum and the Valuation Report from MCH. MCH advised that it was not yet in a position to prepare the Information Memorandum and the Valuation Report.

Despite numerous requests and enquiries made by the JM, MCH has been unable to provide the JM with an estimation of the time as to when the Information Memorandum and the Valuation Report will be available. The JM believes that it will take at least another 6 months to progress the Listing Transfer with MCH.

Meanwhile, the JM is seeking opportunity and alternative in order to proceed the Listing Transfer in a more timely manner with MCH or otherwise.

Further, the JM has engaged a PRC law firm to make court applications in the PRC to obtain books and records of the Company and its subsidiaries ("PRC Court Applications") and to advise the JM in relation to the HMW Cash Discrepancies.

Time Extension granted and Reasons for Seeking the Extension of Time

On 30 December 2015, the Company sought the extension of time until 30 June 2016 to comply with the Listing Requirements for the following reasons:

1. the Company has not yet obtained the necessary bank statements and records in order to ascertain and establish the financial position of the Group and prepare the accounts of the Company;
2. the Company has not yet obtained the necessary financial resources to comply with the Listing Requirements; and
3. the JM requires more time to complete the Listing Transfer.

In this light, the JM estimated that it will take at least until 30 June 2016 to:

1. proceed with the Listing Transfer with MCH or otherwise;
2. make the PRC Court Applications and to obtain books and records of the Group;

3. ascertain and establish the financial position of the Group; and
4. comply with the Listing Requirements.

Written Confirmation from the Company

Articles 66 and 152 of the Articles require that the AGM be held and its profit and loss account and balance sheet be laid at the AGM by not more than 15 months after the last AGM. In addition, Article 153 of the Articles requires that the AGM be held by no later than 4 months after the close of the financial year.

While the delay in holding the 2013 and 2014 AGMs and presenting the Company's accounts by 30 June 2016 will constitute a breach of the Articles, the Company has no option but to delay the 2013 and 2014 AGMs given the current circumstances. The JM will propose passing a ratification resolution to ratify the delay when the AGMs are eventually held.

Save for the above, the Company has provided SGX-ST, on 30 December 2015, with the following written confirmations:

1. the extension of time for the Company to comply with the Listing Requirements does not contravene any laws and regulations governing the Company and the other Articles; and
2. the Company is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

The Company will make further announcement to keep its shareholders updated on any material development as and when appropriate.

Submitted by the Judicial Manager
For and On Behalf of the Company

Hamish Alexander Christie
Borrelli Walsh Pte Limited

12 January 2016