

Dated 14 MARCH 2014

FORD GLORY GROUP HOLDINGS LIMITED
(the Vendor)

and

SURE STRATEGY LIMITED
(the Purchaser)

DISPOSAL AGREEMENT
for the entire issued share capital of
FORD GLORY HOLDINGS LIMITED

CHIU & PARTNERS
40TH FLOOR
1 CONNAUGHT PLACE
JARDINE HOUSE
HONG KONG
REF: LC/CSL/TON/KMY/130181

THIS AGREEMENT is made on 14 MARCH 2014

BETWEEN :-

- (1) **FORD GLORY GROUP HOLDINGS LIMITED**, a company incorporated in Bermuda with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (the "**Vendor**"); and
- (2) **SURE STRATEGY LIMITED**, a company incorporated in the British Virgin Islands with its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands (the "**Purchaser**").

WHEREAS :-

- (A) The Vendor agrees to sell and the Purchaser agrees to purchase the Sale Shares upon the terms and conditions hereinafter mentioned.
- (B) It is a condition precedent to the completion of the Sale and Purchase Agreement that this Agreement be completed.

AND NOW IT IS HEREBY AGREED as follows :-

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, unless otherwise expressed or required by context, the following expressions shall have the respective meanings set opposite thereto :-

<u>Expression</u>	<u>Meaning</u>
" Business Day "	a day (other than a Saturday, Sunday, public or statutory holiday and days on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for clearing and settlement business throughout their normal business hours
" Cancellation of the Share Premium Account "	the proposed cancellation of the share premium account in the amount of not less than HK\$71,000,000 and not more than HK\$150,000,000 of the Vendor as more particularly described in the Joint Announcement
" Code "	the Hong Kong Code on Takeovers and Mergers
" Companies Ordinance "	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), with effect from 3 March 2014
" Company "	Ford Glory Holdings Limited, a company incorporated in the British Virgin Islands, whose particulars are set out in Part A of Schedule 1

"Completion"	completion of the sale and purchase of the Sale Shares pursuant to Clause 4
"Completion Date"	the date of completion of the Sale and Purchase Agreement
"Conditions Precedent"	the conditions precedent to Completion as set out in Clause 3.1
"Consideration"	the Share Consideration as set out in Clause 2.3
"Executive"	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
"FGG Independent Shareholders"	in relation to any resolution to be put forward to the shareholders of the Vendor at the FGG SGM, the shareholders of the Vendor other than those, if any, who are required to abstain from voting under the bye-laws of the Vendor and the applicable laws and regulations, including (where applicable) the Listing Rules and the Code or otherwise as required by the Stock Exchange or the SFC
"FGG SGM"	the special general meeting (or adjournment thereof) of the Vendor to be convened for consideration and approval of, inter alia, this Agreement and transactions contemplated hereunder
"Group"	the Company and the Subsidiaries, and " member of the Group " shall mean any one of them on or after completion of Reorganisation
"HK\$"	Hong Kong Dollars, the lawful currency of Hong Kong
"HK Tenancy Agreement"	the tenancy agreement to be entered into by United Gainer Investment Limited as tenant and Ford Glory International Limited as landlord in relation to the portion of the property with a total gross floor area of approximately 3,900 square feet located at 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Joint Announcement"	the announcement to be jointly issued by the Vendor, Victory City and Unitech Enterprises Group Limited (" Unitech ") in relation to, inter alia, the Sale and Purchase Agreement and this Agreement and the transactions contemplated in each of the aforesaid

	agreements and other related matters, an advanced draft of which is attached to this Agreement as Annexure 2
"Leased Properties"	those real properties leased or agreed to be leased to or occupied by the relevant members of the Group
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Management Accounts"	the proforma combined accounts (comprising the balance sheet and income statement) of the Group for the period from 1 April 2013 to 30 September 2013, copies of which are attached to this Agreement as Annexure 1, duly certified by a director of the Vendor to be fairly true and accurate
"Net Asset Value"	the combined value of all assets of the Group (including the Owned Properties), less all liabilities and provisions of the Group, which amounted to approximately HK\$302,000,000 as at 30 September 2013
"Owned Properties"	the landed properties owned or to be acquired, directly or indirectly, by the Group immediately prior to Completion, particulars of which are set out in Schedule 3
"Parties"	the parties to this Agreement and each of them, a "Party"
"Reorganisation"	the proposed reorganisation of the Company, the Subsidiaries and their respective undertakings in manner more particularly described in Schedule 5
"Sale and Purchase Agreement"	the agreement for sale and purchase of shares in the Vendor dated 14 March 2014 made between, inter alia, Sure Strategy Limited ("SSL"), Merlotte Enterprise Limited ("Merlotte"), and Victory City Investments Limited ("VCIL") as the vendors, and Unitech as the purchaser, pursuant to which SSL, Merlotte and VCIL agreed to sell and Unitech agreed to purchase an aggregate of 320,000,000 shares of the Vendor, representing approximately 71.07% of the issued share capital of the Vendor as at the date of the Sale and Purchase Agreement in accordance with the terms and conditions contained therein
"Sale Shares"	all those issued ordinary shares in the share capital of the Company as at the Completion Date, which shall be solely and beneficially owned by the Vendor immediately before Completion
"SFC"	the Securities and Futures Commission of Hong Kong

"Share Consideration"	the purchase price for the Sale Shares, being the Consideration
"Shareholder Loan"	the entire amount of loans and indebtedness (if any) owed or due from the Company to the Vendor as at the Completion Date after (a) consolidation of any loans and indebtedness owed or due from any other members of the Group to the Vendor Group; and (b) netting off any loans and indebtedness (as consolidated) owed or due to the Group from the Vendor Group as at such date
"Special Dividend"	the special dividend in the amount of not less than HK\$250,000,000 and not more than HK\$400,000,000 proposed to be declared by the Vendor at the FGG SGM as more particularly referred to in the Joint Announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiaries"	has the meaning ascribed to it under the Companies Ordinance
"Subsidiaries"	the subsidiaries of the Company after completion of Reorganisation, whose particulars are set out in Part B of Schedule 1
"Trademark"	the registered trademark and service mark owned or to be owned by the Vendor at Completion, details of which are set out in Schedule 4
"Trademark Assignment Agreement"	the assignment agreement in substantially the form set out in Schedule 6
"US\$"	United States Dollars, the lawful currency of the United States of America
"VC Independent Shareholders"	in relation to any resolution to be put forward to the shareholders of Victory City at the VC SGM, the shareholders of Victory City other than those, if any, who are required to abstain from voting under the articles of association of Victory City and the applicable laws and regulations, including (where applicable) the Listing Rules and the Code or otherwise as required by the Stock Exchange or the SFC
"VC SGM"	the special general meeting (or adjournment thereof) of Victory City to be convened for consideration and approval of, inter alia, this Agreement and transactions contemplated hereunder
"Vendor Group"	the Vendor and its subsidiaries (other than the Group itself) after completion of Reorganisation

"Victory City" Victory City International Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the Stock Exchange, which is indirectly interested in 51% of the Purchaser and 70.55% of the Vendor

"Warranties" the warranties, representations and undertakings set out in Clause 5

1.2 The headings to the clauses of this Agreement are for ease of reference only and shall be ignored in interpreting this Agreement.

1.3 References to Clauses, Schedules and Recitals are references to clauses, schedules and recitals of or to this Agreement which shall form part of this Agreement.

1.4 Unless the context otherwise requires, words and expressions in the singular include the plural and vice versa.

1.5 Unless the context otherwise requires, reference to a person includes any public body and any body of persons, corporate or unincorporate.

1.6 Unless the context otherwise requires, reference to Ordinances or enactments shall be construed as a reference to such Ordinances or enactments as they may be amended or re-enacted from time to time and for the time being in force.

2. SALE AND PURCHASE AND CONSIDERATION

2.1 The Vendor as beneficial owner hereby agrees to sell, and the Purchaser relying on the Warranties agrees to purchase, at the Consideration and subject to the terms and conditions contained in this Agreement, the Sale Shares free from all claims, charges, liens, encumbrances, equities and third party rights and together with all rights attached thereto.

2.3 The Consideration for the acquisition of the Sale Shares shall be HK\$270,000,000, referencing the Net Asset Value (as at 30 September 2013) or the agreed purchase consideration of the Group.

2.4 The Consideration shall be settled by the Purchaser by cheque in accordance with Clause 4.1(a).

3. CONDITIONS PRECEDENT

3.1 The Parties agree that Completion is conditional upon:-

(a) the Sale and Purchase Agreement having become unconditional (other than the fulfillment of any condition(s) in the Sale and Purchase Agreement requiring completion of this Agreement and other transactions contemplated herein (including but not limited to the arrangements with respect to the HK Tenancy Agreement subject to the provisions and as referred herein)) and not being terminated in accordance with its terms and conditions;

(b) the passing by the FGG Independent Shareholders of an ordinary resolution

approving this Agreement and the transactions contemplated hereunder in accordance with the requirements of the Listing Rules and the Code;

- (c) the passing by the VC Independent Shareholders of an ordinary resolution approving this Agreement and the transactions contemplated hereunder in accordance with the requirements of the Listing Rules and the Code;
- (d) the consent of the Executive in relation to this Agreement and the transactions contemplated hereunder as a "special deal" under Rule 25 of the Code having been obtained and not revoked prior to Completion;
- (e) the Cancellation of the Share Premium Account becoming effective;
- (f) the passing by the FGG Independent Shareholders of an ordinary resolution approving the declaration of the Special Dividend in accordance with the requirements of the Listing Rules and the Code;
- (g) the completion of the Reorganisation;
- (h) the execution of the HK Tenancy Agreement between Ford Glory International Limited and United Gainer Investment Limited, a draft of which is set out in Schedule 7; and
- (h) the execution of the Trademark Assignment Agreement between Ford Glory Group Holdings Limited as assignor and Ford Glory Holdings Limited as assignee, a draft of which is set out in Schedule 6.

3.2 The Parties shall take all commercially reasonable steps to procure the fulfillment of the Conditions Precedent.

3.3 In the event that the Conditions Precedent are not fulfilled on or before 30 June 2014 (or such other date as the Parties may agree in writing), the rights and obligations of the Parties under this Agreement shall lapse and this Agreement shall be of no further effect and the Parties shall be released from such obligations without any liability save in respect of any antecedent breach or any accrued right or remedies, which shall not be prejudiced or affected.

4. COMPLETION

4.1 Completion shall take place at the principal place of business of the Vendor in Hong Kong (or such other place as may be agreed by the Parties) on the Completion Date simultaneously with or immediately before completion of the Sale and Purchase Agreement when the following business will be simultaneously transacted:-

- (a) the Purchaser shall deliver or cause to be delivered to the Vendor a cheque in favour of the Vendor or its nominee for the Consideration and for the settlement of the Shareholder Loan;
- (b) the Vendor shall deliver to the Purchaser the following :-
 - (i) instrument of transfer in favour of the Purchaser or its nominee in respect of the Sale Shares duly executed by the Vendor;

- (ii) original share certificate(s) in respect of the Sale Shares;
 - (iii) a counterpart of each of the HK Tenancy Agreement, and the Trademark Assignment Agreement duly executed by the Vendor and the relevant member(s) of the Group;
 - (iv) such other documents as may be reasonably required to give a good title to the Sale Shares and to enable the Purchaser or its nominee to become the registered holder thereof;
 - (v) certified copy of the board resolutions of the Vendor and/or the relevant member(s) of the Group approving and authorising the execution and completion of this Agreement, the HK Tenancy Agreement and the Trademark Assignment Agreement and all documents incidental thereto;
 - (vii) the statutory books of each member of the Group together with the certificates of incorporation, business registration certificates, common seals, rubber chops and all other records and statements etc.; and
 - (viii) all accounts, books of records, instruments, waivers and documents belonging to the Group, including share certificates for the issued shares of all members of the Group, deeds of assignment and registration certificates and records in respect of the Trademarks, and all title deeds and documents of title in relation to the Owned Properties and the Leased Properties; and
- (c) the Vendor will cause meetings of the board of directors of each member of the Group to be held at which resolutions shall be passed (where appropriate) to:-
- (i) register the transfer of the Sale Shares referred to above and enter the Purchaser or its nominee in the register of members of the Company as the holder of the Sale Shares and issue new certificate(s) for the Sale Shares in the name of the Purchaser or its nominee;
 - (ii) approve and authorise the execution of the HK Tenancy Agreement, and the Trademark Assignment Agreement and all documents incidental thereto;
 - (iii) (if appropriate and subject to the provisions of the Code) appoint such other persons as the Purchaser may nominate as additional directors of each member of the Group, such appointment to take effect from the close of business of the said meeting;
 - (iv) change the correspondence address or (as appropriate) registered office of such member(s) of the Group to such place in Hong Kong as the Purchaser may nominate; and
 - (v) approve and authorise the execution of such deeds and documents and doing of such other things (if any) as may be necessary to facilitate and give effect to the transactions contemplated under this Agreement, including those required in relation to any member of the Group.

4.2 The transactions described in Clause 4.1 and the completion of the Sale and Purchase Agreement shall take place at the same time so that in default of performance of any such

agreement or transaction or any part thereof by any Party or a Party, the other Party shall not be obliged to complete any of the transactions aforesaid (without prejudice to any further legal remedies).

5. PURCHASER'S AND VENDOR'S REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 5.1 The Vendor hereby represents and warrants to and undertakes with the Purchaser that each of the Warranties is as at the date hereof and will, at all times up to and including the Completion Date, be true and correct in all material respects.
- 5.2 Each of the Warranties shall, to the extent capable of so doing, survive Completion.
- 5.3 After the date of this Agreement, the Vendor and its subsidiaries shall, at its sole costs and expenses (unless otherwise provided in this Agreement), effect the Reorganisation such that immediately prior to Completion, the Company shall be interested (directly or indirectly) in the assets and share capital of the companies as set out in Schedules 1, 2 and 3.
- 5.4 The Vendor warrants that it is the beneficial owner of the Sale Shares and has and will at Completion have the right, power and authority to sell and transfer all the Sale Shares to the Purchaser free from all charges, liens, encumbrances, equities and other adverse claims and interests and with all rights now and hereafter attaching thereto, without the consent of any third party.
- 5.5 The Vendor further undertakes to execute and do and cause or procure to be executed and done all such other documents, instruments, acts and things as the Purchaser may reasonably require in order to perfect the rights, titles and interests of the Purchaser to and in the Sale Shares and otherwise complete this Agreement.
- 5.6 The Purchaser undertakes to settle the Shareholder Loan upon Completion, and the amount of the Shareholder Loan shall be owed by the Company to the Purchaser after Completion. As at 30 September 2013, the Shareholder Loan amounted to approximately HK\$92,000,000.
- 5.7 The Purchaser undertakes to procure Victory City to execute and provide the banking facilities guarantee in favour of the lenders in respect of the banking facilities granted to FGIL, Value Plus (Macao Commercial Offshore) Limited, and Major Time Limited, which replace the banking facilities guarantees provided by the Vendor and Ford Glory International Limited (as the case may be), details of which are more particularly described in the Joint Announcement.

6. LIMITATIONS

- 6.1 The Purchaser acknowledges and accepts that :-
- (a) the Warranties provided herein shall be the only representations, warranties or undertakings given by the Vendor which form the basis of or be pleaded in connection with any claim by the Purchaser under or in connection with this Agreement; and
 - (b) any claim by the Purchaser in connection with any breach of the Warranties (a "**Warranty Claim**") shall be subject to the following provisions of this Clause 6.

- 6.2 The maximum aggregate liability of the Vendor in respect of all claims for breach of Warranties shall not exceed the Consideration;
- 6.3 The Vendor shall not be liable for any Warranty Claim :-
- (a) which would not have arisen but for a default on the part of the Purchaser of any of the terms herein;
 - (b) which arises as a result of legislation which comes into force after the date hereof with retrospective effect; or
 - (c) which arises as a result of a change in accounting policies of the Group after Completion.
- 6.4 The Vendor shall not be liable for any claim under this Agreement which would not have arisen but for an act or omission or transaction by the Purchaser, any members of the Group or any of their respective directors, employees, agents or authorised representatives occurring after the Completion Date.
- 6.5 The provisions of this Clause 6 shall remain in full force and effect after and notwithstanding Completion.

7. RESTRICTIONS ON THE VENDOR AFTER COMPLETION

- 7.1 The Vendor agrees that it shall (and shall procure its subsidiaries) not at any time after the Completion Date in relation to any trade, business or company use the Trademark or use a name or trade mark or any word or symbol confusingly similar thereto in such a way as to be capable of or likely to be confused with the name or any of such Trademark.

8. SEVERABILITY

If at any time any one or more provisions hereof is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions hereof shall not thereby in any way be affected or impaired.

9. ENTIRE AGREEMENT

This Agreement (together with all Schedules) constitutes the entire agreement and understanding between the Parties in connection with the subject matter of this Agreement and supersedes all previous proposals, representations, warranties, agreements or undertakings relating thereto whether oral, written or otherwise and neither Party has relied on any such proposals, representations, warranties, agreements or undertakings.

10. TIME

- 10.1 Time shall be of the essence of this Agreement.
- 10.2 No time or indulgence given by any Party to the other shall be deemed or in any way be construed as a waiver of any of its rights and remedies hereunder.

11. CONFIDENTIALITY

Save as may be required by law, the Listing Rules or the Code or by any regulatory authority, neither of the Parties nor their ultimate shareholders shall make any announcement or release or disclose any information concerning this Agreement or the transactions herein referred to or disclose the identity of the other Party (save disclosure to their respective professional advisers under a duty of confidentiality or for giving effect to the provisions herein contained) without the written consent of the other Party, such consent not to be unreasonably withheld or delayed.

12. ASSIGNMENT AND FURTHER ASSURANCES

- 12.1 This Agreement shall be binding on and shall enure for the benefits of the successors and assigns of the Parties but save as expressly provided in this Agreement, none of the rights, benefits and interests of the Parties in this Agreement shall be assigned, transferred or otherwise disposed of by any Party to or for the benefit of any other person without the prior written consent of the other Party.
- 12.2 The Parties shall do and execute or procure to be done and executed all such further acts, deeds, things and documents as may be necessary to give effect to the terms of this Agreement and to place control of each member of the Group in the hands of the Purchaser.

13. NOTICES AND OTHER COMMUNICATIONS

All notices, requests, reports, submissions and other communications permitted or required to be given under this Agreement shall be deemed to have been duly given if such notice or communication shall be in writing and delivered by personal delivery or by registered mail, facsimile transmission or other commercial means of prepaid delivery, postage or costs of transmission and delivery prepaid, to the Parties at the following addresses until such time as either Party shall give the other Party hereto not less than five (5) Business Days' prior written notice of a change of address in accordance with the provisions hereof.

To the Vendor : Thomas Lee/Edith Sze
Fax No.: (852) 83438036
Attention: Mr. Thomas Lee/Ms. Edith Sze

To the Purchaser : Thomas Lee/Sally Ng
Fax No.: (852) 83438046
Attention: Mr. Thomas Lee/Ms. Edith Sze

14. COSTS AND EXPENSES

Each Party shall pay for its own costs and expenses incidental to this Agreement and all transactions in connection therewith, and all stamp duty (if any) on the transfer of the Sale Shares shall be borne by the Vendor and the Purchaser in equal shares. The Purchaser shall be responsible for and punctually pay all stamp duty and registration fees payable on the agreements thereof to the Group as part of the Reorganisation.

15. COUNTERPARTS

This Agreement may be entered into in any number of counterparts and by the Parties on separate counterparts, each of which when so executed and delivered shall be the original, but

all the counterparts shall together constitute one and the same instrument.

16. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong.

17. PROCESS AGENT

The Purchaser irrevocably appoints Mr. Choi Lin Hung of Ford Glory International Limited at 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong to receive, for it and on its behalf, service of process in the proceedings in Hong Kong. Such service shall be deemed completed on delivery to the process agent (whether or not it is forwarded to and received by the Purchaser). If for any reason the process agent ceases to be able to act as such or no longer has an address in Hong Kong, the Purchaser irrevocably agrees to appoint a substitute process agent acceptable to the Vendor, and to deliver to the Vendor a copy of the new agent's acceptance of that appointment, within 30 days.

IN WITNESS whereof the Parties have executed this Agreement the day and year first above written.

SIGNED by CHOI LU HUNG)
for and on behalf of the Vendor)
in the presence of :-)

POLLY T O Ng
Solicitor, Hong Kong SAR
CHIU & PARTNERS

For and on behalf of
Ford Glory Group Holdings Limited

.....
Authorized Signature(s)

SIGNED by LEE CHUNG SHING)
for and on behalf of the Purchaser)
in the presence of :-)

POLLY T O Ng
Solicitor, Hong Kong SAR
CHIU & PARTNERS

For and on behalf of
SURE STRATEGY LIMITED

.....
Authorized Signature(s)

SCHEDULE 1

PART A

Particulars of the Company

Name	:	Ford Glory Holdings Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	28 May 2002
Company no.	:	497562

SCHEDULE 1

PART B

Particulars of the Subsidiaries

1.

Name	:	Brilliant Fashion Inc.
Place of incorporation	:	The State of New York
Date of incorporation	:	25 August 2009
US Employer Identification Number	:	80-0493107

SCHEDULE 1

PART B

Particulars of the Subsidiaries

2.

Name	:	Ford Glory International Limited
Place of incorporation	:	Hong Kong
Date of incorporation	:	11 July 1996
Company no.	:	557597

SCHEDULE 1

PART B

Particulars of the Subsidiaries

3.

Name : Glory Time Limited

Place of incorporation : Hong Kong

Date of incorporation : 3 May 2004

Company no. : 899021

SCHEDULE 1

PART B

Particulars of the Subsidiaries

4.

Name : Gojifashion Inc.

Place of incorporation : Canada

Date of incorporation : 5 October 2006

Company no. : 438929-8

SCHEDULE 1

PART B

Particulars of the Subsidiaries

5.

Name	:	Happy Noble Holdings Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	15 July 2010
Company no.	:	1595465

SCHEDULE 1

PART B

Particulars of the Subsidiaries

6.

Name : Talent Partner Holdings Limited

Place of incorporation : British Virgin Islands

Date of incorporation : 12 December 2011

Company no. : 1684897

SCHEDULE 1

PART B

Particulars of the Subsidiaries

7.

Name	:	Mayer Apparel Limited
Place of incorporation	:	Hong Kong
Date of incorporation	:	4 January 2006
Company no.	:	1016992

SCHEDULE 1

PART B

Particulars of the Subsidiaries

8.

Name	:	One Sino Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	19 January 2011
Company no.	:	1627651

SCHEDULE 1

PART B

Particulars of the Subsidiaries

9.

Name	:	Rocwide Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	6 June 2005
Company no.	:	660070

SCHEDULE 1

PART B

Particulars of the Subsidiaries

10.

Name	:	江門冠輝制衣有限公司 Jiangmen V-Apparel Manufacturing LTD
Place of incorporation	:	People's Republic of China
Date of incorporation	:	31 May 2000
Company no.	:	440700400014279

SCHEDULE 1

PART B

Particulars of the Subsidiaries

11.

Name	:	Surefaith Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	26 April 2005
Company no.	:	653776

SCHEDULE 1

PART B

Particulars of the Subsidiaries

12.

Name	:	Value Plus (Macao Commercial Offshore) Limited
Place of incorporation	:	Macau
Date of incorporation	:	18 November 2002
Company no.	:	16197 SO

SCHEDULE 1

PART B

Particulars of the Subsidiaries

13.

Name	:	Just Perfect Holdings Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	15 October 2012
Company no.	:	1738444

SCHEDULE 1

PART B

Particulars of the Subsidiaries

14.

Name	:	Wealth Choice Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	26 April 2005
Company no.	:	653780

SCHEDULE 1

PART B

Particulars of Subsidiaries

15.

Name	:	Sky Winner Investment Limited
Place of incorporation	:	Hong Kong
Date of incorporation	:	11 February 2010
Company no.	:	1421722

SCHEDULE 1

PART B

Particulars of Subsidiaries

16.

Name : 藝田貿易（上海）有限公司 Teelocker Limited

Place of incorporation : People's Republic of China

Date of incorporation : 21 January 2011

Company no. : 310000400642016

SCHEDULE 1

PART B

Particulars of Subsidiaries

17.

Name	:	福之源貿易（上海）有限公司
Place of incorporation	:	People's Republic of China
Date of incorporation	:	7 February 2006
Company no.	:	310000400456125

SCHEDULE 1

PART B

Particulars of Subsidiaries

18.

Name	:	福源創業信息諮詢服務（深圳）有限公司
Place of incorporation	:	People's Republic of China
Date of incorporation	:	15 December 2009
Company no.	:	440301503365612

SCHEDULE 1

PART B

Particulars of Subsidiaries

19.

Name	:	Green Expert Global Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	21 November 2011
Company no.	:	1681802

SCHEDULE 1

PART B

Particulars of Subsidiaries

20.

Name	:	MT Studio Inc.
Place of incorporation	:	the State of New York
Date of incorporation	:	28 February 2012
US Employer Identification Number	:	99-0374787

SCHEDULE 1

PART B

Particulars of Subsidiaries

21.

Name	:	Ford Glory Inc.
Place of incorporation	:	the State of New York
Date of incorporation	:	21 November 2011
US Employer Identification Number	:	45-3930623

SCHEDULE 1

PART B

Particulars of the Subsidiaries

22.

Name : Major Time Limited

Place of incorporation : Hong Kong

Date of incorporation : 31 July 2011

Company no. : 1649705

SCHEDULE 1

PART B

Particulars of the Subsidiaries

23.

Name	:	Ford Glory (Cambodia) Manufacturing Limited
Place of incorporation	:	Cambodia
Date of incorporation	:	29 March 2011
Company no.	:	1827

SCHEDULE 1

PART B

Particulars of the Subsidiaries

24.

Name	:	PT. Victory Apparel Semarang
Place of incorporation	:	Republic of Indonesia
Date of incorporation	:	26 September 2005
Company Taxpayer main number	:	02.193.067.2-503.001

SCHEDULE 1

PART B

Particulars of the Subsidiaries

25.

Name	:	Global Trend Investments Limited
Place of incorporation	:	British Virgin Islands
Date of incorporation	:	5 July 2000
Company no.	:	395431

SCHEDULE 1

PART B

Particulars of the Subsidiaries

26.

Name : Victory Apparel (Jordan) Manufacturing Company Limited

Place of incorporation : The Hashemite Kingdom of Jordan

Date of incorporation : 18 September 2005

Company no. : 10790

SCHEDULE 1

PART B

Particulars of the Subsidiaries

27.

Name : Jerash Garments & Fashions Manufacturing Company Ltd.

Place of incorporation : The Hashemite Kingdom of Jordan

Date of incorporation : 26 November 2000

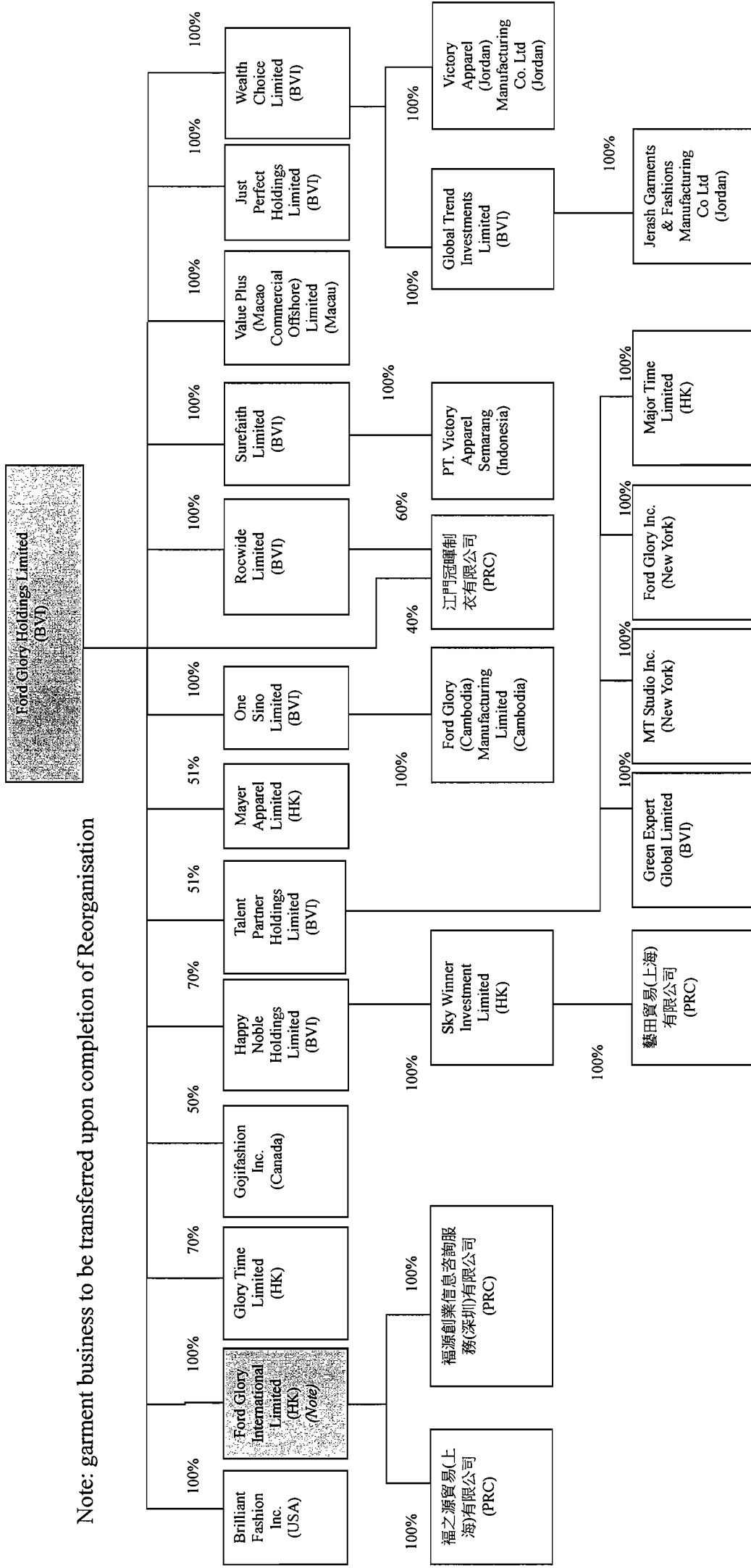
Company no. : 6434

SCHEDULE 2

GROUP CHART OF THE GROUP AS AT COMPLETION

SCHEDULE 2

GROUP CHART OF THE GROUP AS AT COMPLETION





SCHEDULE 3

LIST OF OWNED PROPERTIES

	Registered Owner	Properties/Land Use Rights
I.	Ford Glory International Limited	- the whole part of 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan - car park spaces no. p21 to p25 on 2nd floor of Ford Glory Plaza
II.	Victory Apparel Jordan Garments Manufacturing Company Limited	- Block F Industrial Building located at plot number 1340 parcel number 3 Al Raqem Al Tajamouat Industrial City South Amman Jordan -
III.	江门冠晖制衣有限公司	- 罗坑镇陈冲村委会岗美山（土名）地号 0405002259 - 罗坑镇陈冲村委会岗美山（土名）地号 0405002257 - 罗坑镇陈冲村委会岗美山（土名）地号 0405002258 - 江门市新会区罗坑镇锦丰工业开发区（C 厂房） - 江门市新会区罗坑镇锦丰工业开发区（宿舍楼 A） - 江门市新会区罗坑镇锦丰工业开发区（宿舍楼 B） - 江门市新会区罗坑镇锦丰工业开发区（配电房） - 江门市新会区罗坑镇锦丰工业开发区（食堂） - 江门市新会区罗坑镇锦丰工业开发区（A 车间） - 江门市新会区罗坑镇锦丰工业开发区（B 车间）

SCHEDULE 4

LIST OF TRADEMARK

Trademark	Registration Number	Class	Proprietor	Date of Registration	Validity Period		
					From	To	Duration
A  B 	301592893	25	Ford Glory Group Holdings Limited	21 April 2010	21 April 2010	20 April 2020	10 years

SCHEDULE 5

THE REORGANISATION

The proposed steps of Reorganisation as set out herein are subject to reasonable modification(s) and/or variation(s) as the Parties may in good faith agree.

REORGANISATION MEMORANDUM

1. Introduction

- 1.1 Pursuant to the memorandum of understanding dated 18 December 2013 in relation to, among others, the acquisition (“**Acquisition**”) of 62% of the total issued share capital on a fully diluted basis in Ford Glory Group Holdings Limited (the “**Company**”, together with its subsidiaries and associates, the “**Group**”), a corporate reorganisation has been undertaken by the Group in order to rationalise the proposed structure of certain companies in the Group (the “**Remaining Group**”) which shall own the garment sourcing business, including product design and product development, sampling, product offering, sourcing, quality assurance, outsourcing, logistics and delivery and overseas sales capabilities (the “**Garment Sourcing Business**”) and related assets. This memorandum sets out a broad outline of the procedures for the restructuring and the reorganisation of the Group. It is expected that arrangements for cancellation of share premium account and declaration of special dividend would also be made by the Company.
- 1.2 The following completion date of various stages of the reorganisation is set out based on the following assumptions on timetable:
- (a) assuming the formal sale and purchase agreement of the Acquisition to be entered on 14 March 2014;
 - (b) assuming the announcement of the Company relating to special deals and general offer to be published on 27 March 2014; and
 - (c) assuming the special general meeting of the Company to be held on 13 May 2014 for approving, among others, the special deals and general offer.

2. Existing group structure

- 2.1 The corporate structure of the Group before implementation of the reorganisation is set out in Appendix 1.
- 2.2 At present, apart from the Garment Sourcing Business, Ford Glory International Limited (“**FG International**”) also carries on other businesses. Hence, as part of the reorganisation, FG International will transfer its Garment Sourcing Business and related assets to a new company which was set up for this purpose (see paragraph 6 below).
- 2.3 Upon completion of the reorganisation, the Remaining Group will be principally engaged in the Garment Sourcing Business and will hold the related assets. The Remaining Group will comprise:
- (1) Ford Glory Group Holdings Limited, a company incorporated in Bermuda on 3 March 2010 whose issued shares are listed on The Stock Exchange of Hong Kong Limited, which acts as the holding company of the Remaining Group;
 - (2) Best Keen (as defined below) was established as part of the reorganisation as further described below, which acts as the intermediate holding company of the Remaining Group;
 - (3) Top Value Inc. (“**Top Value**”), a company incorporated under the laws of New York, the United States (the “**US**”) on 27 May 2005, which is principally engaged in trading of garment products, sales and marketing, distribution, logistics and delivery in the US.; and

- (4) United Gainer (as defined below) was established as part of the reorganisation as further described below, which will be principally engaged in the trading of garment products, product design and product development, sampling, product offering, sourcing, quality assurance, outsourcing, logistics and delivery in Hong Kong (the “**Hong Kong Garment Sourcing Business**”).

3. Stage 1 – Incorporation of Best Keen International Limited (“Best Keen”)

- 3.1 Best Keen, a new company incorporated in the British Virgin Islands (the “**BVI**”) on 2 January 2014 with authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each. On 3 March 2014, Best Keen issued and allotted one share at par to the Company.
- 3.2 Best Keen will act as the intermediate holding company of the Remaining Group.
- 3.3 Date of completion of Stage 1: 3 March 2014.

4. Stage 2 – Incorporation of United Gainer Investment Limited (“United Gainer”)

- 4.1 United Gainer, a new company incorporated in Hong Kong on 19 April 2013 with authorised share capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1.00 each, of which one share was subscribed at par by Cartech Limited. On 3 March 2014, Cartech Limited transferred its one share of United Gainer, being its entire issued share capital, to Best Keen at par.
- 4.2 United Gainer will acquire the Hong Kong Garment Sourcing Business being carried on by FG International in the manner as described in paragraph 6 below.
- 4.3 The group structure of the Remaining Group upon completion of Stages 1 and 2 of the reorganisation is set out in Appendix 2.
- 4.4 Date of completion of Stage 2: 3 March 2014.

5. Stage 3 – Acquisition of Top Value by Best Keen

- 5.1 Top Value is a company incorporated under the laws of New York, the US on 27 May 2005. It was authorised to issue 200 common shares without par value, of which 200 shares were issued to Ford Glory Holdings Limited (“**FG Holdings**”). FG Holdings will transfer the entire issued share capital of Top Value to Best Keen at a consideration, which will be satisfied by the issue of shares by Best Keen to the Company (at the direction of FG Holdings).
- 5.2 The group structure of the Remaining Group upon completion of this Stage 3 of the reorganisation is set out in Appendix 3.

Documents required:

- (i) transfer documents;
- (ii) resolutions of FG Holdings;
- (iii) resolutions of Best Keen; and
- (iv) resolutions of Top Value.

- 5.3 Date of completion of Stage 3: by 10 June 2014.

6. Stage 4 – Acquisition of the Hong Kong Garment Sourcing Business by United Gainer

6.1 United Gainer will enter into a business transfer agreement with FG International to acquire from FG International all the assets, rights and interests relating to the Hong Kong Garment Sourcing Business carried on by FG International, in particular comprising the fixed and moveable assets, cash and cash equivalent, contracts, accounts payable and receivables, insurance policies, inventories, and related records relating to the Hong Kong Garment Sourcing Business, but excluding all the assets, rights and interests relating to the business of garment products manufacturing carried on by FG International, at a consideration, which will be satisfied by the issue of shares by Best Keen (at the direction of United Gainer) to the Company (at the direction of FG International).

Documents required:

- (i) business transfer agreement (including schedules of assets, etc. to be transferred);
 - (ii) transfer notice;
 - (iii) board minutes/written resolutions of the board of directors of FG International approving the business transfer agreement and any transactions contemplated therein;
 - (iv) board minutes/written resolutions of the board of directors of United Gainer approving the business transfer agreement and any transactions contemplated therein; and
 - (v) novation agreement (if any)
- 6.2 The group structure of the Remaining Group upon completion of the reorganisation is set out in Appendix 4.
- 6.3 Key dates of Stage 4:
- (a) signing of business transfer agreement: by 10 June 2014;
 - (b) publication of transfer notice: by 10 June 2014; and
 - (c) completion of Stage 4: by 10 June 2014.

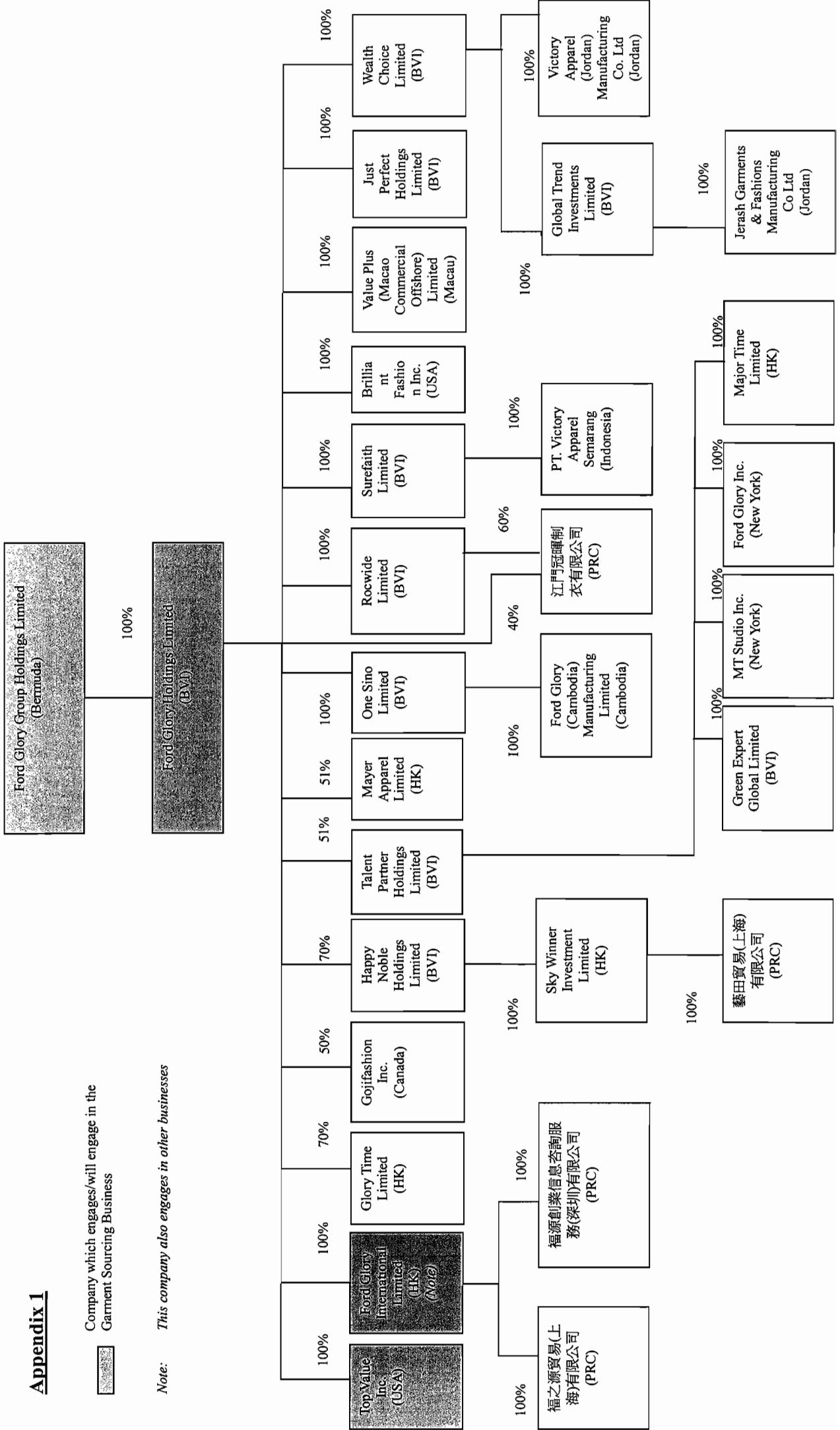
Appendices

“1”	Corporate structure of the Group before implementation of the reorganisation
“2”	Corporate structure of the Remaining Group immediately after Stages 1 and 2 reorganisation
“3”	Corporate structure of the Remaining Group immediately after Stage 3 reorganisation
“4”	Corporate structure of the Remaining Group immediately after Stage 4 reorganisation


Appendix 1

Company which engages/will engage in the Garment Sourcing Business

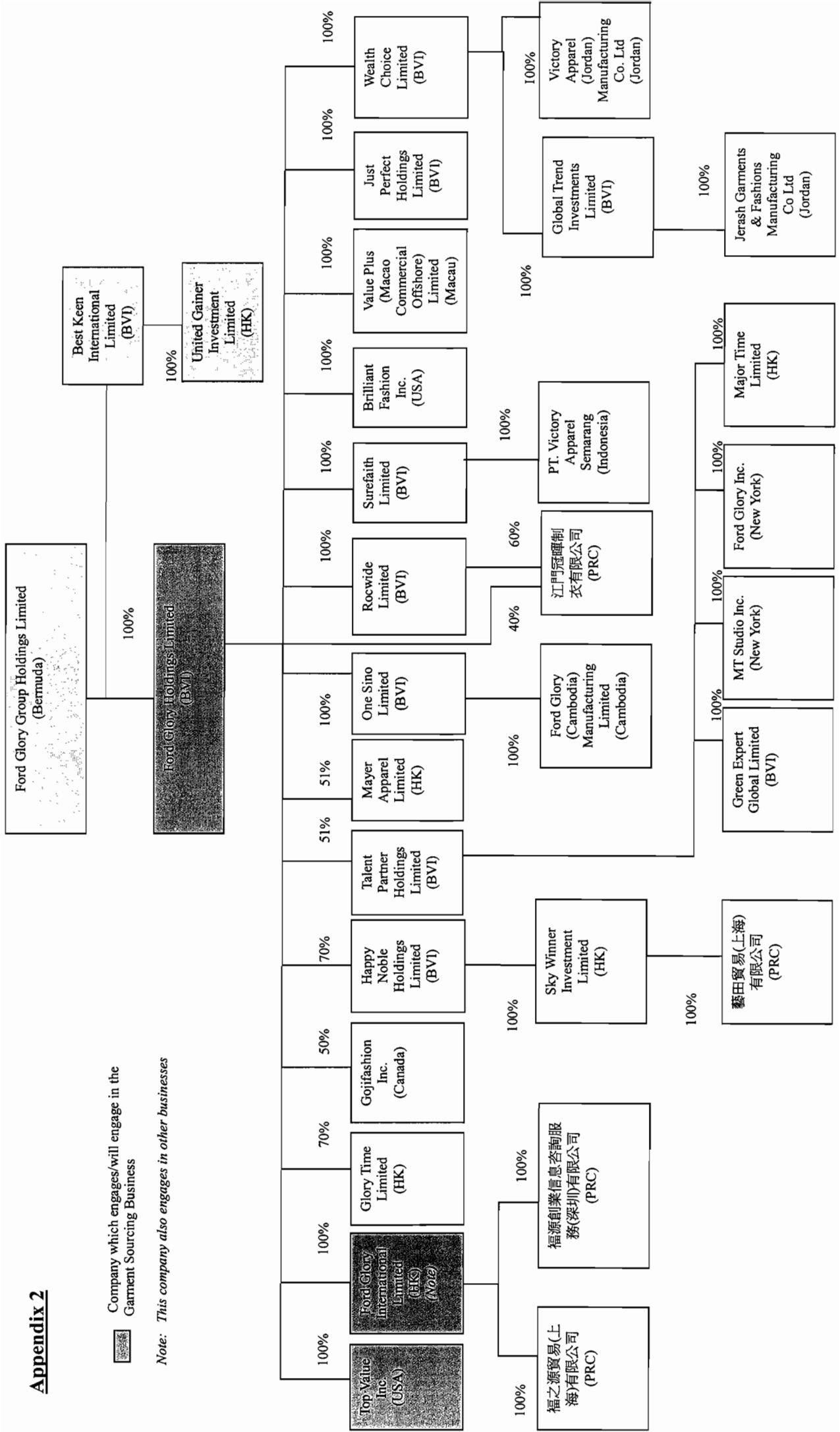
Note: This company also engages in other businesses




Appendix 2

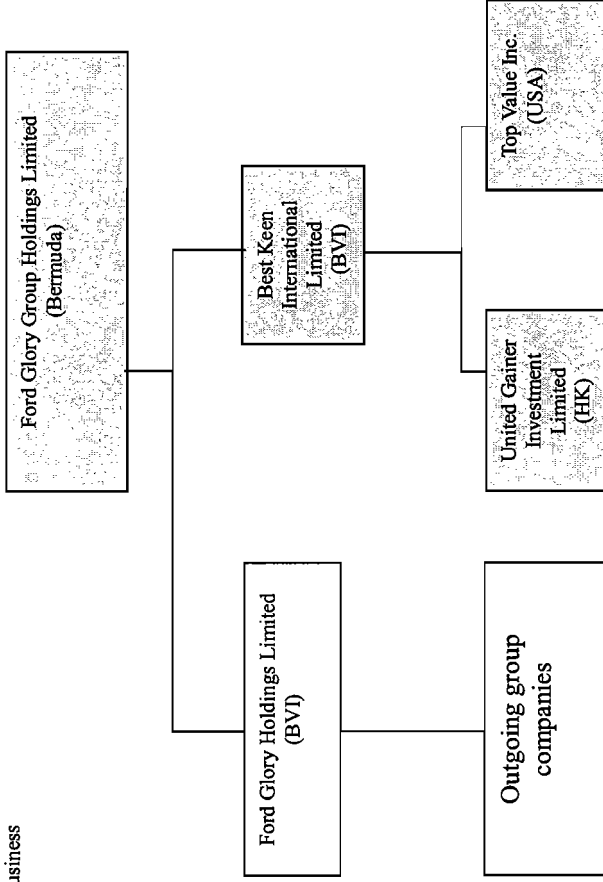
 Company which engages/will engage in the Garment Sourcing Business

Note: This company also engages in other businesses



Appendix 4

 Company which engages/will engage in the
Garment Sourcing Business



SCHEDULE 6

Dated the [•] of [•] 2014

**FORD GLORY GROUP HOLDINGS LIMITED
(as Assignor)**

and

**FORD GLORY HOLDINGS LIMITED
(as Assignee)**

TRADEMARK ASSIGNMENT

**Chiu & Partners
40th Floor, Jardine House
1 Connaught Place
Hong Kong**

THIS ASSIGNMENT is dated the [•] of [•] 2014 and is made

BETWEEN:

- (1) **FORD GLORY GROUP HOLDINGS LIMITED**, a company incorporated in Bermuda with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (“**Assignor**”); and
- (2) **FORD GLORY HOLDINGS LIMITED**, a company incorporated in the British Virgin Islands with its registered office at P.O. Box 146, Road Town, Tortola, British Virgin Islands [-] (“**Assignee**”).

WHEREAS:

- (A) The Assignor is the registered proprietor of the trade mark (“**Registered Trade Mark**”), particulars of which are set out in Schedule 1 hereto (the “**Trade Mark**”).
- (B) Pursuant to the disposal agreement (“**Disposal Agreement**”) dated [-] 2014 entered into between the Assignor and Sure Strategy Limited, it was agreed by the Assignor and Sure Strategy Limited that this Assignment will be entered into upon completion of the Disposal Agreement. The parties enter into this Assignment for the assignment and transfer by the Assignor to the Assignee of its rights, title, benefits and interests in the Trade Mark and the goodwill of the business in connection therewith for the consideration mentioned below.

NOW THIS ASSIGNMENT WITNESSES as follows:

1. Assignment

- 1.1 For good and valuable consideration received by the Assignor from the Assignee (the receipt of which the Assignor hereby acknowledges) pursuant to the Disposal Agreement, the Assignor, as beneficial owner, hereby assigns to the Assignee absolutely all the rights (including all common law rights), title, benefits and interests of the Assignor in the Trade Mark and the goodwill of the business in the goods or services in association therewith.
- 1.2 The Assignor acknowledges and confirms that all rights, titles, benefits and interests of, in and to the Trade Mark shall, as between, the Assignor and the Assignee, be vested in the Assignee with effect from the date of this Assignment and the Assignor shall accordingly account to the Assignee for all payments (if any) received by the Assignor in connection with the Trade Mark.

2. Antecedent Matters

- 2.1 For the same consideration mentioned in Clause 1.1, the Assignor hereby assigns unto the Assignee all rights of action, claims and interests which have or might have accrued to the Assignor in respect of the Trade Mark prior to and including the date of this Assignment and the Assignor hereby irrevocably appoints the Assignee to be its attorney for the commencement and prosecution of legal and other proceedings and for

the taking of any other necessary actions for the enforcement or recovery of such rights, claims and interests.

3. Warranties

The Assignor hereby represents and warrants to the Assignee that:

- (1) the Assignor is the proprietor of the Registered Trade Mark and has full power to enter into this Assignment;
- (2) the Registered Trade Mark is duly and validly registered in the name of the Assignor with the Hong Kong Trade Marks Registry or similar authorities in the jurisdictions as set out opposite the relevant Registered Trade Mark in Schedule 1 hereto;
- (3) save as already disclosed to the Assignee by the Assignor prior to the date of this Assignment, the Assignor has not granted, and has not agreed to grant, any assignments by way of security, charges or licences to use the Trade Mark; and
- (4) the Trade Mark is not subject to any restriction on assignment or transfer.

4. Further Assurance

- 4.1 The Assignor shall, at the Assignee's costs, promptly execute and do all such assurances, acts, deed and things as the Assignee may reasonably require in obtaining the full benefits of this Assignment and in vesting in the Assignee all the Assignor's benefit, right, title and interest of, to and in the Trade Mark.
- 4.2 The Assignor shall, at the Assignee's costs, execute and do all such assurances, acts, deeds and things as the Assignee may reasonably require and use reasonable endeavours to procure other relevant parties so to do for (i) protecting or perfecting the assignment of the Trade Mark as herein provided; and (ii) perfecting, preserving or protecting all or any of the rights, powers or remedies hereby conferred upon the Assignee.

5. Successors and Assigns

This Assignment shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

6. Governing Law and Jurisdiction

- 6.1 This Assignment shall in all respects be governed by and construed in accordance with the laws of Hong Kong Special Administrative region of the People's Republic of China ("**Hong Kong**").
- 6.2 The parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the

Hong Kong courts but this Assignment may be enforced by the Assignee in any court of competent jurisdiction.

IN WITNESS WHEREOF the parties hereto have executed this Assignment the day and year first above written.

THE ASSIGNOR



SEALED with the Common Seal of and)
signed by _____)
for and on behalf of **FORD GLORY**)
GROUP HOLDINGS LIMITED)
in the presence of:)

THE ASSIGNEE

SEALED with the Common Seal of and)
signed by _____)
for and on behalf of **FORD GLORY**)
HOLDINGS LIMITED)
in the presence of:)

SCHEDULE 1

Registered Trade Mark

<u>No.</u>	<u>Trademark</u>	<u>Place of registration</u>	<u>Registration/Serial No.</u>	<u>Category/ Classification</u>
<u>1.</u>	^A  ^B 	<u>Hong Kong</u>	301592893	25

SCHEDULE 7

HK Tenancy Agreement

THIS AGREEMENT is made on the day of

BETWEEN:-

- (1) Ford Glory International Limited whose registered office is situate at 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong (the "Landlord"); and
- (2) United Gainer Investment Limited whose registered office is situate at 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong (the "Tenant").

WHEREBY IT IS AGREED as follows:-

1. The Landlord lets and the Tenant takes ALL THAT the premises more particularly described and set out in the First Schedule hereto (the "Property") which forms part of the building more particularly described in the First Schedule hereto (the "Building") TOGETHER with all rights easements and appurtenances thereto belonging or usually held and enjoyed therewith for the term (the "Term") and at the rent (the "Rent") more particularly set out in the Second Schedule hereto.
2. The Tenant to the intent that the obligations may continue throughout the Term hereby created agrees with the Landlord as follows:-
 - (a) To pay the Landlord the Rent at the time and in manner aforesaid, and to pay all charges for telephone in respect of the Property and to make all necessary deposits for the supply of the said services when required.
 - (b) If any defects or want of repair shall be found and if the Landlord shall give or leave a notice in writing at the Property requiring the Tenant to amend the same and if the Tenant shall not within 7 days after the service of such notice proceed diligently with the execution of such repairs then to permit the Landlord to enter upon the Property and execute such repairs and the cost thereof (the amount thereof in case of difference to be determined by the Landlord's agent) shall be borne by the Landlord.
 - (c) To use the Property for office/commercial purposes only.
 - (d) Not to do or permit to be done in or upon the Property or any part thereof anything which may be or become a nuisance, annoyance, damage or disturbance to the Landlord or the Tenant or occupiers of other property in the neighborhood or anywise against the law or regulations of Hong Kong.
 - (e) Not to keep or store or cause or permit or suffer to be kept or stored any arms ammunitions gun-powder saltpetres kerosene or hazardous goods in the Property or do or cause to be done or suffer or permit any act deed matter or thing whatsoever which shall amount to a breach or non-observance of the

- terms and conditions under which the Property is held from the Government.
- (f) Not to use the Property or allow the same to be used for illegal or immoral purposes.
 - (g) Quietly to yield up the Property at the expiration or sooner determination of the tenancy in good clean and tenantable repair fair wear and tear excepted.
 - (h) To observe and perform and not to contravene any of the terms covenants and conditions contained in the Government Lease under which the Property is held from the Government.
 - (i) Not to place any box dust bins articles or cause obstruction in the corridor or passage way of the Building or in any place which is not hereby exclusively let to the Tenant.
 - (j) Not to do anything which may render the insurance of the Property or the Building void or voidable or which may render the premium for such insurance liable to increase and the Tenant shall make payment of any such increased premium.

3. The Landlord hereby agrees with the Tenant as follows:-

- (a) That the Tenant paying the Rent hereby stipulated and observing and performing the several stipulation herein contained and on its part to be observed and performed shall peacefully hold and enjoy the Property during the Term without any interruption by the Landlord or any person lawfully claiming through under or in trust for him.
- (b) To pay charges for water, gas and electricity in respect of the Property, costs of cleaning, maintenance and repair in respect of any part of the Property, any government assessments, management fees, property taxes or similar charges payable on the Property, [all other expenses of a capital or non-recurrent nature in respect of the Property].

4. PROVIDED ALWAYS and IT IS HEREBY EXPRESSLY AGREED as follows:-

- (a) If the Rent hereby stipulated or any part thereof shall remain unpaid for 15 days after becoming payable (whether legally demanded or not) or if the Tenant or other person in whom for the time being the term hereby created shall be vested shall failed to observe or perform any of the conditions herein in any material respect or shall become bankrupt or enter into any composition or arrangement with creditors or suffer any prosecution in respect of the non-payment of any money due to the Government then and in any of the said cases it shall be lawful for the Landlord at any time thereafter to re-enter upon the Property or any part thereof in the name of the whole and thereupon this Agreement shall absolutely determine but without prejudice to any right of action of the Landlord in respect of any breach of the Tenant's terms and conditions herein contained and a written notices served by the Landlord on the Tenant or left at the Property to the effect that the Landlord exercise the power of re-entry hereinbefore contained shall be a full and sufficient exercise of such power notwithstanding any statutory or common law provisions to the contrary.

- (b) Any notice required to be served hereunder shall be sufficiently served on the Tenant if delivered to it at its registered office by registered mail. A notice sent by registered mail shall be deemed to be given at the time signed by the receiving party.
 - (c) For the purposes of this Agreement any act default or omission of the agents servants and customers of the Landlord or the Tenant shall be deemed to be the act default or omission of the Landlord or the Tenant.
5. [Within seven (7) days from] the date of this Agreement, the Tenant shall pay to the Landlord the Deposit as more particularly set out in the Second Schedule hereto to secure the due observance and performance by the Tenant of the agreements stipulations and conditions contained in this Agreement and on the part of the Tenant to be observed and performed. The Deposit shall be retained by the Landlord throughout the Term and the currency of this Agreement without payment of any interest to the Tenant. In the event of any breach or non-observance or non-performance by the Tenant of any of the agreements, stipulations, terms or conditions of this Agreement in any material respect the Landlord shall be entitled (without prejudice to any other right or remedy hereunder) to terminate this Agreement and to deduct from the Deposit the amount of any loss reasonably incurred by the Landlord in consequence of the breach, non-observance or non-performance by the Tenant of this Agreement in which event the Tenant shall as a condition precedent to the continuation of the tenancy hereby created within seven (7) days' written notice by the Landlord or its agent deposit with the Landlord the amount so deducted and if the Tenant shall fail so to do the Landlord shall forthwith be entitled to re-enter on and upon the Property or any part thereof in the name of the whole and to determine this Agreement in which event the Deposit may be forfeited to the Landlord by way of liquidated damages without prejudice to any other right or remedy hereunder. If any deduction is made by the Landlord from the Deposit during the Term the Tenant shall within seven (7) days following demand by the Landlord make a further deposit equal to the amount deducted and failure by the Tenant so to do shall entitle the Landlord to re-enter the Property and to terminate this Agreement. Subject as aforesaid the Deposit shall be refunded to the Tenant by the Landlord without interest within [thirty] days after the expiration or termination of this Agreement and the delivery of vacant possession to the Landlord and after the settlement of the last outstanding claim by the Landlord against the Tenant in respect of any arrears of Rent and telephone charges and any material breach, non-observance or non-performance of any of the agreements, stipulations, terms and conditions herein contained and on the part of the Tenant to be observed and performed whichever shall be the later.
6. [The stamp duty on this Agreement and its counterpart shall be borne by the Landlord and the Tenant in equal shares.]

AS WITNESS the hands of the parties hereto the day and year first above written.

SIGNED by)
)
)
for and on behalf of the Landlord)

SIGNED by the Tenant)
)

OR

SIGNED by)
)
)
for and on behalf of the Tenant)

FIRST SCHEDULE

The Property:

approximately 3,900 square feet of 19/F, Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong

SECOND SCHEDULE

Term : 1 year with 1 year option of unchanged rent

Period : [*] 2014 to [*] 2016

Rent : HK\$70,000 (payable on the [first] day of each and every month inclusive of management fees, rates and government rent) and without any set-off and/or deduction)

Deposit : HK\$140,000

ANNEXURE 1

MANAGEMENT ACCOUNTS

Non-Current assets	
Property, plant & equipment	156,734,392
Prepaid lease payments	3,541,125
Goodwill	5,969,769
Intangible asset	1,000,000
Interest in a jointly controlled entity	-
Deferred tax assets	1,717,826
Investment in subsidiaries	-
	<u>168,963,112</u>
Current assets	
Inventories	132,599,891
Amount due to FG Holdings group	-
Amount due from FGG Group	18,864,696
Trade and bills receivable	113,072,382
Deposit, prepayments and other receivable	74,656,068
Prepaid lease payments	99,750
Derivative financial instruments	3,372,826
Tax recoverable	188,737
Bank balances and cash	98,652,108
	<u>441,506,458</u>
Current liabilities	
Trade and bills payables	(70,376,420)
Amount due to FGG group	(92,305,694)
Amount due to FG Holdings group	-
Other payables and accruals	(25,321,141)
Amounts due to related companies	(1,228,077)
Derivative financial instruments	(2,504,242)
Tax payable	(17,773,482)
Bank borrowings	(108,143,520)
	<u>(317,652,576)</u>
Net current assets	123,853,882
Total assets less current liabilities	292,816,994
Non Current liabilities	
Defined benefit obligations	(1,760,357)
Deferred tax liabilities	(2,215,323)
	<u>(3,975,680)</u>
Net Assets	<u>288,841,314</u>
Capital and reserves	
Share capital	(780)
Reserves	(286,519,683)
Equity attributable to owners of the Company	<u>(286,520,463)</u>
Non-controlling interests	(2,320,851)
Total Equity	<u>(288,841,314)</u>

CERTIFIED TRUE COPY

Director / Secretary

Ford Glory Group Holdings Limited

ANNEXURE 2

JOINT ANNOUNCEMENT

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.

Note 5 to R13.52

This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Ford Glory Group Holdings Limited.

**UNITECH ENTERPRISES
GROUP LIMITED**

卓科企业集团有限公司*

(Incorporated in the British Virgin Islands with limited liability)

[Insert logo]

**FORD GLORY GROUP
HOLDINGS LIMITED**

福源集團控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1682)

[Insert logo]

**VICTORY CITY INTERNATIONAL
HOLDINGS LIMITED**

冠華國際控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 539)

R13.51A

JOINT ANNOUNCEMENT

- | | |
|--|---|
| <p>(1) ACQUISITION OF FGG SHARES BY UNITECH ENTERPRISES;</p> <p>(2) GROUP REORGANISATION;</p> <p>(3) SHARE PREMIUM CANCELLATION;</p> <p>(4) SPECIAL CASH DIVIDEND;</p> <p>(5) VERY SUBSTANTIAL DISPOSAL, CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE DISPOSAL;</p> <p>(6) SPECIAL DEAL IN RELATION TO THE RETAINED EMPLOYEES ARRANGEMENT</p> <p>(7) EXEMPT CONTINUING CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE HK LEASE AGREEMENT;</p> <p>(8) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS BY</p> | <p>(1) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF FGG SHARES;</p> <p>(2) DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL;</p> <p>(3) APPOINTMENT OF VC INDEPENDENT FINANCIAL ADVISER; AND</p> <p>(3)(4) PROPOSED CONNECTED TRANSACTIONS IN RELATION TO PROVISION OF GUARANTEES; AND</p> <p>(4)(5) RESUMPTION OF TRADING</p> |
|--|---|



KINGSTON SECURITIES LTD.
ON BEHALF OF UNITECH ENTERPRISES TO ACQUIRE ALL THE ISSUED FGG SHARES (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY UNITECH ENTERPRISES AND PARTIES ACTING IN CONCERT WITH IT) AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS;

- (9) APPOINTMENT OF FGG INDEPENDENT FINANCIAL ADVISER;
- (10) PROPOSED CHANGE OF COMPANY NAME; AND
- (11) RESUMPTION OF TRADING

Financial adviser to
Unitech Enterprises Group Limited



KINGSTON CORPORATE FINANCE LTD.

Financial adviser to

Ford Glory Group Holdings Limited

[insert logo]
Crosby Securities Limited

FGG Independent financial adviser to the
FGG Independent Board Committee and
the FGG Independent Shareholders

[insert logo]
Shenyin Wanguo Capital (H.K.) Limited

VC Independent Financial Adviser to the
VC Independent Board Committee and
the VC Independent Shareholders

[insert logo]
Halcyon Capital Limited

** for identification purpose only*

THE SHARE SALE AGREEMENT

Reference is made to the joint announcements of FGG and VC dated 24 July 2013, 23 August 2013, 23 September 2013, 23 October 2013, 19 November 2013, 19 December 2013, 17 January 2014 and, 14 February 2014 and [*] March 2014 in relation to, among other things, the possible disposal of interests in FGG by Sure Strategy. Reference is also made to the joint announcement of FGG and VC dated 19 December 2013 in relation to the entering into of the MOU between Sure Strategy and the Offeror. On [*] March 2014, Sure Strategy, Merlotte Enterprise, Victory City Investments and the Offeror entered into the Share Sale Agreement, pursuant to which the Vendors have conditionally agreed to sell and the Offeror has conditionally agreed to purchase the Sale Shares, being the aggregate interest of [320,000,000] FGG Shares held by the Vendors, representing approximately [71.07]% of the entire issued share capital of FGG (assuming no Share Options have been exercised) as at the date of this joint announcement and approximately [61.56]% of the entire issued share capital of FGG on a fully-diluted basis (assuming all outstanding Share Options have been exercised) as at the date of this joint announcement, at an aggregate consideration of HK\$[258,560,000], representing HK\$[0.808] per Sale Share. The total consideration of the Sale Shares shall be satisfied by (i) a deposit of HK\$20,000,000 to be paid by the Offeror to the respective Vendors upon signing of the Share Sale Agreement (the earnest money of HK\$20,000,000 previously paid by the Offeror under the MOU shall be treated as deposit paid for this purpose); and (ii) a cashier order to be paid by the Offeror to the respective Vendors upon Share Sale Completion to settle the remaining balance of HK\$[238,560,000]. Share Sale Completion is conditional upon, among other things, completion of the Group Reorganisation and completion of the Disposal. Please refer to the sub-section headed “Conditions precedent” under the section headed “The Share Sale Agreement” in this joint announcement for further details of the conditions of the Share Sale Agreement.

As at the date of this joint announcement, Sure Strategy and Victory City Investments, being subsidiaries of VC, are interested in approximately [70.00]-% and [0.54]-% of the entire issued capital of FGG respectively. Merlotte Enterprise is interested in approximately [0.52]% of the entire issued capital of FGG. Upon Share Sale Completion, the VC Group will cease to have any interests in the FGG Shares and FGG will cease to be a subsidiary of VC.

Upon Share Sale Completion, the Vendors shall procure the Retained Employees to be engaged and appointed, and the Offeror shall procure the Remaining Group to engage and appoint the Retained Employees, as employees of the Remaining Group, for a period of not less than [one year] from date of Share Sale Completion. ~~As at the date of this joint announcement, Ms. Cheng Sylvia is interested in approximately [*]% of the entire issued share capital of FGG and holds [*] outstanding Share Options, and Mr. Yiek Chong San is~~

interested in approximately [*]% of the entire issued share capital of FGG.

GROUP REORGANISATION

Pursuant to the Group Reorganisation, amongst other things:

(i) Best Keen, a wholly-owned subsidiary of FGG, which acts as the intermediate holding company of the Remaining Group, and United Gainer, a wholly-owned subsidiary of Best Keen, were established as part of the Group Reorganisation;

(ii) FG International will transfer the HK Garment Sourcing Business and its related assets and liabilities to United Gainer;

(iii) FG Holdings will transfer the entire issued share capital of Top Value to Best Keen;

(iv) the Remaining Group will consist of the Remaining Group Entities, and the Remaining Group will be principally engaged in the Garment Sourcing Business upon completion of the Group Reorganisation;

(v) the Disposal Group will consist of the Disposal Group Entities, and the Disposal Group will be principally engaged in the Manufacturing Business upon completion of the Group Reorganisation;

(vi) the outstanding intra-group balances between the Remaining Group and the Disposal Group will be settled upon Share Sale Completion (save for the trade receivables and payables for the provision of apparel goods to the Remaining Group by the Disposal Group in the ordinary course of business); and

(vii) all the existing corporate guarantees given by the Remaining Group to the Disposal Group will be released and discharged in full, conditional only upon the Share Sale Completion, and all existing corporate guarantees and securities given by the Disposal Group in favour of the Remaining Group (if any) will be released and discharged in full, conditional only upon the Share Sale Completion.

~~{There is no condition precedent to the completion of the Group Reorganisation}. {C&P to advise}~~

Upon completion of the Group Reorganisation, the Remaining Group will be principally engaged in the Garment Sourcing Business, and the Disposal Group will be principally engaged in the Manufacturing Business.

SHARE PREMIUM CANCELLATION [Bermuda lawyer to review]

The FGG Board proposes to effect the Share Premium Cancellation, pursuant to which the entire amount standing to the credit of the share premium account of FGG will be cancelled and the credit arising from the Share Premium Cancellation will be transferred to the contributed surplus account of FGG for the implementation of part of the payment of the Special Cash Dividend. The Share Premium Cancellation is conditional upon, inter alia, the approval of the FGG Shareholders by way of a special resolution at the FGG SGM.

SPECIAL CASH DIVIDEND

The FGG Board proposes that, subject to and upon completion of the Disposal and the Share Premium Cancellation becoming effective, the proposed Special Cash Dividend of not less than HK\$[*] (subject to finalisation) will be paid to the Qualifying FGG Shareholders whose names appear on the register of members of FGG on the Record Date (being a date falling before the date of Share Sale Completion, which is to be fixed for determining entitlements to the payment of the Special Cash Dividend). Based on 519,777,000 FGG Shares in issue on a fully-diluted basis (assuming all outstanding Share Options have been exercised) as at the date of this joint announcement, the proposed Special Cash Dividend will be not less than HK\$[*] per FGG Share (subject to finalisation). The proposed Special Cash Dividend will be paid in cash out of the FGG's reserves as partly contributed by the net proceeds to be received from the Disposal. An ordinary resolution will be put forward at the FGG SGM for declaration of the Special Cash Dividend.

The payment of the Special Cash Dividend is conditional upon, inter alia, completion of the Disposal and the Share Premium Cancellation becoming effective.

FGG will announce the Record Date in accordance with Rule 13.66 of the Listing Rules as and when appropriate.

VERY SUBSTANTIAL DISPOSAL, CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE DISPOSAL

THE DISPOSAL AGREEMENT

On [*] March 2014, FGG and Sure Strategy entered into the Disposal Agreement pursuant to which Sure Strategy conditionally agreed to acquire and FGG conditionally agreed to dispose of the Disposal Shares, which represent the entire issued share capital of FG Holdings. The consideration for the Disposal is HK\$[270,000,000] and shall be satisfied in cash at completion of the Disposal.

The net proceeds from the Disposal (after deducting expenses directly attributable thereto) are estimated to be approximately HK\$[*] million and will be used towards the payment of the Special Cash Dividend.

As at the date of this joint announcement, FG Holdings is a wholly-owned subsidiary of FGG. Upon completion of the Disposal, FG Holdings will cease to be a subsidiary of FGG and FGG will cease to have any interests in the Disposal Group.

EXEMPT CONTINUING CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE HK LEASE AGREEMENT

THE HK LEASE AGREEMENT

On [*] March 2014, FG International (as the landlord), being a wholly-owned subsidiary of FG Holdings, and United Gainer (as the tenant), being an indirect wholly-owned subsidiary of FGG, entered into the HK Lease Agreement in relation to the leasing of the Office Premises for a period of [*] years from [*] to [*] at a monthly rental rate of HK\$[70,000].

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS
[Kingston/Offerrer, please comment on this section]

As at the date of this joint announcement, the Offeror and parties acting in concert with it are not interested in the share capital or voting rights of FGG. Upon Share Sale Completion, the Offeror and parties acting in concert with it will own in aggregate [320,000,000] FGG Shares, representing approximately [71.07]% of the entire issued share capital of FGG. The Offeror will therefore upon Share Sale Completion be required under Rules 13.5 and 26.1 of the Takeovers Code to make mandatory unconditional cash offers for all the issued FGG Shares not already owned and/or agreed to be acquired by it and/or parties acting in concert with it and to cancel all the outstanding Share Options. The Offers comprising the Share Offer and the Option Offer, when made, will be unconditional in all respects.

Subject to Share Sale Completion, Kingston Securities will, on behalf of the Offeror and in compliance of the Takeovers Code, make the Offers on the following basis:

For each Offer Share HK\$[0.808] in cash

In respect of Share Options with an exercise price of HK\$0.600:

For cancellation of each such Share Option HK\$[0.208] in cash

In respect of Share Options with an exercise price of HK\$0.844:

For cancellation of each such Share Option HK\$[0.001] in cash

The Share Offer Price of HK\$[0.808] per Offer Share is the same as the purchase price for each Sale Share payable by the Offeror under the Share Sale Agreement. Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price will normally represent the difference between the exercise price of the respective Share Options and the Share Offer Price. Under the Option Offer, the Option Offer Price for each in-the-money Share Option represents the difference between the Share Offer Price and the exercise price of these Share Options. However, as the exercise price of the out-of-the-money share options are above the Share Offer Price, their Option Offer Price is a nominal HK\$[0.001] per Share Option.

Mr. Ng has provided an irrevocable undertaking to the Vendors in respect of the Share Options comprised in his Option Undertaking to, prior to the closing date of the Offers, (i) exercise no less than [2,261,740] Share Options with an [exercise price of HK\$0.600] into FGG Shares; and (ii) accept the Share Offer or any other offer and/or proposal to be made by the Offeror in respect of such number of his FGG Shares. Together with the Sale Shares, the Offeror will own approximately ~~61.562~~62.00% interest in FGG on a fully-diluted basis (assuming all outstanding Share Options have been exercised) before any other acceptance by any FGG Shareholder under the Share Offer.

Principal terms of the Offers are set out in the section headed “Possible Mandatory Unconditional Cash Offers and to cancel the Share Options” below. Kingston CF, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

WARNING

The Offers are possible mandatory unconditional cash offers and will only be made if, among other things, Share Sale Completion takes place, which is conditional upon satisfaction of the conditions set out in the sub-section headed “The Share Sale Agreement” below which include, but are not limited to, completion of the Group Reorganisation, completion of the Disposal and the payment of the Special Cash Dividend. Accordingly, Share Sale Completion may or may not take place and the Offers may or may not proceed. FGG Shareholders, the Optionholders and potential investors of FGG are advised to exercise caution in dealing in the FGG Shares.

PROPOSED CHANGE OF NAME [Offeror/Bermuda Lawyer/PH, please comment on this section]

The FGG Board proposes to change the English company name of FGG from “Ford Glory Group Holdings Limited” to “[*] Limited” and the Chinese company name of FGG from “福源集團控股有限公司” to “[*]”.

PROPOSED CONNECTED TRANSACTIONS IN RELATION TO PROVISION OF GUARANTEES

The VC Directors wish to announce that VC proposes to provide the Guarantees in favour of the Lenders in respect of the Facilities granted by the Lenders to FG International, Value Plus and Major Time in the manner set out below in this joint announcement.

IMPLICATIONS OF THE TAKEOVERS CODE AND THE LISTING RULES

Since the transactions contemplated under the Special Deals are not capable of being extended to all FGG Shareholders, each of the Special Deals constitutes a special deal under Rule 25 of the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will normally be conditional upon the FGG Independent Financial Adviser publicly stating in its opinion that the terms of the Special Deals are fair and reasonable and the approval of the FGG Independent Shareholders voting by way of a poll at the FGG SGM. An application will be made to the Executive for consent to proceed with the Special Deals under Rule 25 of the Code. FGG Shareholders should note that such consent may or may not be granted by the Executive and, if such consent is not granted, the Special Deals will not proceed. As the obtaining of such consent is a condition to Share Sale Completion and the making of the Offers by the Offeror, the Offers will not be made if such consent is not obtained on or before the Long Stop Date.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal Agreement is over 75% for FGG and are more than 5% but less than 25% for VC, the Disposal constitutes a very substantial disposal to FGG and a discloseable transaction to VC under Chapter 14 of the Listing Rules.

As at the date of this joint announcement, Sure Strategy is interested in [315,200,000] FGG Shares, representing approximately [70.00]% of the entire issued share capital of FGG, and is a substantial Shareholder of FGG. Accordingly, Sure Strategy is a connected person of FGG.

FGG is a connected person of VC under Rule 14A.11(5) of the Listing Rules by virtue of the fact that FGG is an associate of Mr. Choi as Mr. Choi is entitled to control the exercise of 30% or more of the voting power at any general meeting of FGG through his wholly-owned company, Merlotte Enterprise, and his associate, Sure Strategy.

Therefore, the Disposal also constitutes a connected transaction for each of FGG and VC, respectively, under Chapter 14A of the Listing Rules. The Disposal, being a very substantial disposal and connected transaction for FGG, and a discloseable and connected transaction for VC, is therefore subject to the reporting, announcement and the FGG Independent Shareholders' and the VC Independent Shareholders' approval requirements under the Listing Rules.

The transactions contemplated under the HK Lease Agreement will, upon completion of the Disposal, constitute continuing connected transactions for FGG under Chapter 14A of the Listing Rules by virtue of FG International being an associate of Mr. Choi and thus a connected person of FGG under the Listing Rules. As each of the applicable percentage ratios (calculated pursuant to Chapter 14A of the Listing Rules) in respect of the continuing connected transactions contemplated under the HK Lease Agreement is less than 5% and the annual consideration is less than HK\$1 million, the HK Lease Agreement and the transactions contemplated thereunder shall be exempt from the reporting, announcement and the FGG Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Notwithstanding the requirements of the Listing Rules, as stated above, the Special Deals are required to be approved by the FGG Independent Shareholders as a special deal pursuant to Rule 25 of the Takeovers Code.

As the applicable percentage ratios for the Share Sale Agreement under the Listing Rules are more than 5% but less than 25% for VC, the Share Sale Agreement constitutes a discloseable transaction for VC. As the Share Sale Agreement is inter-conditional with the Disposal Agreement, the Share Sale Agreement also constitutes a connected transaction for VC and is therefore subject to the reporting, announcement and the VC Independent Shareholders' approval requirements under the Listing Rules.

The transaction contemplated under the provision of Guarantees will upon completion of the Disposal, constitute connected transactions for VC under Chapter 14A of the Listing Rules. Each of FG International, Value Plus and Major Time is wholly owned by FG Holdings which is in turn held as to 51% indirectly by VC and 49% indirectly by Merlotte Enterprise, a company wholly-owned by Mr. Choi who is one of the VC Directors.

Given that the financial assistance to be provided by VC by way of the Guarantees to each of FG International, Value Plus and Major Time will exceed the proportional interest of VC in FG International, Value Plus and Major Time (as the case may be) and that the aggregate limit of the amount to be secured by the Guarantees exceeds HK\$10 million, the provision of the Guarantees will constitute non-exempt connected transactions for VC under Rule 14A.63 of the Listing Rules. Accordingly, the provision of the Guarantees is subject to the reporting, announcement and VC Independent Shareholders' approval requirements under Rule 14A.63 of the Listing Rules. As at the date of this announcement, the Guarantees have not been given. It is intended that the Guarantees will

be executed shortly after the approval of the VC Independent Shareholders for the giving of the Guarantees is obtained at the VC SGM. The proposed provision of the Guarantees, when executed after the VC Independent Shareholders' approval has been obtained.

The pro rata counter indemnities to be given by Merlotte Enterprise in respect of the Guarantees will constitute connected transactions for VC which, under Rule 14A.65(4) of the Listing Rules, are exempt from the reporting, announcement and independent shareholders' approval requirements of Rule 14A.63 of the Listing Rules.

FGG SGM

The FGG SGM will be held for the purpose of considering and, if thought fit, approving, among others, the ordinary resolutions in respect of the Special Cash Dividend and the Special Deals, and the special resolution in respect of the Share Premium Cancellation and the Proposed Change of Name, by way of poll at the FGG SGM. The Special Deals are required to be approved by the FGG Independent Shareholders at the FGG SGM, and the Special Cash Dividend, the Share Premium Cancellation and the Proposed Change of Name are required to be approved by the FGG Shareholders at the FGG SGM.

Shareholders including (i) VC, its associates and parties acting in concert with any of them, including Sure Strategy, Mr. Choi, Mr. Chen and Mr. Li; (ii) Mr. Ng who has provided the Option Undertaking; and (iii) any FGG Shareholders who are involved in or interested in the Special Deals or the transactions contemplated thereunder shall abstain from voting on all the resolutions approving the Special Deals at the FGG SGM.

A circular containing, among other things, (i) details of the Share Sale Agreement, the Disposal Agreement and the HK Lease Agreement; (ii) further information on the Share Premium Cancellation, the payment of the Special Cash Dividend and the Special Deals; (iii) financial information of each of the FGG Group and the Disposal Group; (iv) pro forma financial information of the Remaining Group; (v) the letter of recommendation from the FGG Independent Board Committee and the letter of advice from FGG Independent Financial Adviser to the FGG Independent Board Committee and the FGG Independent Shareholders in respect of the Special Deals and the transactions contemplated thereunder; and (vi) a notice convening the FGG SGM is expected to be despatched to the FGG Shareholders on or no later than [*] April 2014.

FGG INDEPENDENT BOARD COMMITTEE

The FGG Independent Board Committee, comprising all independent non-executive FGG Directors, namely Mr. Lau Chi Kit, Mr. Mak Chi Yan, Mr. Wong Wai Kit, Louis and Mr. Yuen Kin Kei, has been formed to advise the FGG Independent Shareholders in respect of the Special Deals, the Offers and the respective transactions contemplated thereunder.

{Shenyin Wanguo} has been appointed as the FGG Independent Financial Adviser to advise the FGG Independent Board Committee and the FGG Independent Shareholders in respect of the Special Deals, the Offers and the respective transactions contemplated thereunder. The appointment of {Shenyin Wanguo} as the FGG Independent Financial Adviser has been approved by the FGG Independent Board Committee.

VC SGM

The VC SGM will be held for the purpose of considering and, if thought fit, approving the resolutions in respect of the Disposal Agreement. Mr. Choi, Mr. Ng who has provided the Option Undertaking, and their respective associates shall abstain from voting on all the resolutions approving the Share Sale Agreement ~~and~~, the Disposal Agreement and the Proposed Connected Transactions at the VC SGM.

A circular containing, among other things, (i) details of the Share Sale Agreement and the Disposal Agreement; (ii) details of the provision of Guarantees; (iii) the letter of recommendation from the VC Independent Board Committee; (iv) the letter of advice from the VC Independent Financial Adviser to the VC Independent Board Committee and the VC Independent Shareholders in respect of the Share Sale Agreement, the Disposal Agreement and the respective transactions contemplated thereunder; and (v) a notice convening the VC SGM is expected to be despatched to the VC Shareholders on or no later than [*] April 2014.

VC INDEPENDENT BOARD COMMITTEE

The VC Independent Board Committee, comprising all independent non-executive VC Directors, namely Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi, has been formed to advise the VC Independent Shareholders in respect of the Share Sale Agreement, the Disposal Agreement, the Proposed Connected Transactions and the respective transactions contemplated thereunder.

{Halcyon Capital} has been appointed as the VC Independent Financial Adviser to advise the VC Independent Board Committee and the VC Independent Shareholders in respect of the Share Sale Agreement, the Disposal Agreement and the respective transactions contemplated thereunder. The appointment of {Halcyon Capital} as the VC Independent Financial Adviser has been approved by the VC Independent Board Committee.

SUSPENSION AND RESUMPTION OF TRADING

At the request of FGG, trading in the FGG Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on [*] March 2014 pending the release of this joint announcement. Application has been made by FGG for resumption of trading in the FGG Shares on the Stock Exchange with effect from 9:00 a.m. on [*] March 2014.

At the request of VC, trading in the VC Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on [*] March 2014 pending the release of this joint announcement. Application has been made by VC for resumption of trading in the VC Shares on the Stock Exchange with effect from 9:00 a.m. on [*] March 2014.

A. THE SHARE SALE AGREEMENT**Date:**

[*] March 2014

Parties:

Vendors : Sure Strategy, which is the beneficial owner of [315,200,000] FGG Shares, representing approximately [70.00]% of the entire issued share capital of FGG as at the date of this joint announcement

Merlotte Enterprise, which is the beneficial owner of [2,352,000] FGG Shares, representing approximately [0.52]% of the entire issued share capital of FGG as at the date of this joint announcement

Victory City Investments, which is the beneficial owner of [2,448,000] FGG Shares, representing approximately [0.54]% of the entire issued share capital of FGG as at the date of this joint announcement

Purchaser : Unitech Enterprises

To the best of the VC Directors' knowledge, information and belief having made all reasonable enquiries, each of the Offeror, its ultimate beneficial owners and parties acting in concert with it is a third party independent of and not connected with the VC and its connected persons (as defined in the Listing Rules).

To the best of the FGG Directors' knowledge, information and belief having made all reasonable enquiries, each of the Offeror, its ultimate beneficial owners and parties acting in concert with it is a third party independent of and not connected with FGG and its connected persons (as defined in the Listing Rules).

The Sale Shares

The Sale Shares comprise a total of [320,000,000] FGG Shares, representing approximately [71.07]% of the entire issued share capital of FGG (assuming no Share Options have been exercised) as at the date of this joint announcement and approximately [61.56]% of the entire issued share capital of FGG on a fully-diluted basis (assuming all outstanding Share Options have been exercised) as at the date of this joint announcement. The Sale Shares will be acquired by the Offeror free from all encumbrances and together with all rights attached to the Sale Shares as at the date of the Share Sale Agreement, including the right to all dividends and distributions which may be declared, paid or made at any time on or after such date (but excluding any entitlements to the Special Cash Dividend).

Consideration and payment terms

The total consideration for the Sale Shares pursuant to the Share Sale Agreement is HK\$[258,560,000] (equivalent to HK\$[0.808] per Sale Share) and shall be satisfied by the Offeror in the following manner:

- (a) a deposit of HK\$20,000,000 (the “**Deposit**”) shall be paid upon the signing of the Share Sale Agreement. [For this purpose, the earnest money previously paid by the Offeror under the MOU shall be treated as the Deposit paid under the Share Sale Agreement (the Deposit (but not including interest accrued on the Deposit) shall be deemed to be applied towards satisfaction of part of the consideration payable to the respective Vendors pro rata)]; and
- (b) the remaining balance of HK\$[238,560,000] shall be paid by the Offeror to the respective Vendors pro rata upon Completion, by delivering a cashier order issued by a licensed bank in Hong Kong to each of the Vendors or such other payment method as the respective Vendors and the Offeror may agree in writing at least two Business Days prior to Share Sale Completion;

The VC Board (other than the members of the VC Independent Board Committee who defer their views till after advice has been sought from the VC Independent Financial Adviser) considers that the terms of the Share Sale Agreement are on normal commercial terms, fair and reasonable and in the interests of VC and the VC Shareholders as a whole.

The net proceeds attributable to VC from the sale of FGG shares to the Offeror for Victory City Investments and Sure Strategy, which is owned as to 51% by VC, are estimated to be approximately HK\$[*] million and will be used {as general working capital of the Manufacturing Business and the VC Group}. ~~{To be confirmed}~~

For the avoidance of doubt, there shall be no adjustment to the consideration for the Sale Shares.

The consideration for the Sale Shares was agreed between the Offeror and the Vendors after arm’s length negotiations, taking into account (i) the prevailing market price of the FGG Shares; (ii) the consolidated net asset value of FGG Group as at the date of Share Sale Completion of no less than HK\$[40.0] million as warranted by the Vendors under the Share Sale Agreement; (iii) the Special Deals; and (iv) the listing status of FGG and the fact that the Offeror is able to exercise statutory control over FGG upon Share Sale Completion.

Specific warranties

~~The~~ The Vendors ~~Vendors~~ have provided certain representations and warranties to the Offeror, including that the audited consolidated net asset value of the Remaining Group as at the date of Share Sale Completion will not be less than HK\$[40.0] million calculated in accordance with accounting principles and practices adopted by FGG in the preparation of the audited consolidated accounts of the Group for the year ended 31 March 2013 (the “**Warranted NAV**”).

Sure Strategy and Victory Investments jointly and Merlotte Enterprise severally from Sure Strategy and Victory Investments ~~The Vendors~~ undertake to fully indemnify the Offeror and keep the Offeror indemnified from and against any material losses, damages or liabilities or any interest, reasonable cost or expense (including legal expense) suffered or incurred by the Offeror or any member of the Remaining Group arising from any member of the Disposal Group after Completion, including but not limited to any liability for taxation resulting from any income, profits or gains earned, accrued or received (or deemed to be so earned, accrued or received) on or before the date of Share Sale Completion in relation to the Group Reorganisation or the Disposal. The Vendors shall only be liable if such taxation claim (as finally determined by the

relevant tax authority after expiry of all rights of appeal) which had not been provided in the consolidated accounts of the Remaining Group as at the date of Share Sale Completion [and shall exceed HK\$[1.2] million].

The Vendors undertake to take all reasonable steps to procure all necessary and appropriate management and other resources shall remain with the Remaining Group immediately after Share Sale Completion to facilitate continuity if the management of the business and operations of the Remaining Group in substantially the same manner as prior to Share Sale Completion. The Vendors shall procure the Retained Employees to be engaged and appointed, and the Offeror shall procure the Remaining Group to engage and appoint the Retained Employees, as employees of the Remaining Group, for a period of not less than [one year] from the date of Share Sale Completion. The aggregate annual remuneration of the Retained Employees shall not exceed HK\$2,400,000.

The Vendors jointly and severally undertake to procure that for a period of twelve (12) months from the date of completion of the Disposal, the Disposal Group shall not be engaged in, directly or indirectly, any apparel products trading business, within the [United States or Hong Kong], with the following customers: [*]. ~~[To be confirmed]~~ a specified list of customers.

Other arrangement

The Vendors ~~undertake to the Offeror that they will~~ shall procure Mr. Ng, an employee of FGG Group, to ~~irrevocably and unconditionally undertake, prior to the closing date of the Offers, to the Vendors to~~ (i) exercise not less than [2,261,740] Share Options with an [exercise price of HK\$0.600], and (ii) accept the Share Offer in respect of such numbers of his FGG Shares.

Conditions precedent

Share Sale Completion is conditional upon the satisfaction of the following conditions:

- (i) the passing of the necessary resolutions by the VC Independent Shareholders at the VC SGM approving the Share Sale Agreement and the transactions contemplated thereby pursuant to the requirements of the Listing Rules;
- (ii) the passing of the necessary resolutions by the FGG Independent Shareholders and the VC Independent Shareholders at each of the FGG SGM and VC SGM, respectively, approving the Disposal Agreement and the transactions contemplated thereby pursuant to the requirements of the Companies Ordinance, Takeovers Code and the Listing Rules;
- (iii) the Group Reorganisation having been completed in accordance with applicable laws, the Companies Ordinance, Takeovers Code and the Listing Rules;
- (iv) the Share Premium Cancellation becoming effective;
- (v) the consent from the Executive in relation to the Special Deals having been obtained;
- (vi) all guarantees, securities and indemnities given by, and all liabilities or obligations of, the Remaining Group (other than receivables and payables or obligations incurred by the Remaining Group in the ordinary course of business) having been released or

discharged by such party or parties in whose favour such guarantees, securities and indemnities have been given and to whom such obligations are owned;

- (vii) all guarantees, securities and indemnities given by the Remaining Group in respect of the liabilities or obligations of the Disposal Group or the Vendors or any of their associates (as defined in the Listing Rules) having been released or discharged by such party or parties in whose favour such guarantees, securities and indemnities have been given;
- (viii) the trading of the FGG Shares on the Stock Exchange not having been suspended for a period longer than 20 consecutive trading days, save for (i) any temporary suspension required by relevant regulatory authorities for approving the announcements and circulars in connection with the transactions contemplated under the Share Sale Agreement or the Disposal Agreement; or (ii) suspension due to any act or omission on the part of the Offeror;
- (ix) neither the Stock Exchange nor the SFC having indicated that the trading of the FGG Shares on the Stock Exchange will be suspended, cancelled or withdrawn after Share Sale Completion, whether or not for reasons related or arising from the transactions contemplated under the Share Sale Agreement;
- (x) the listing of the FGG Shares not having been cancelled or withdrawn prior to Share Sale Completion;
- (xi) there being no applicable laws which shall, or which shall reasonably be expected to, forbid, restrict or impose conditions or restrictions on completion of the transactions contemplated under the Share Sale Agreement;
- (xii) there being no ongoing, pending or threatened legal proceedings which shall with reasonable grounds forbid, restrict or impose conditions or restrictions on or challenge the transactions contemplated under the Share Sale Agreement; and
- (xiii) the warranties remaining true and accurate in all respects and not misleading in any respect as of the date of Share Sale Completion by reference to the facts and circumstances subsisting as at the date of Share Sale Completion.

The Offeror shall be entitled to waive the above conditions (except conditions (i), (ii), (iii), (iv) and (v) are incapable of being waived) by serving a written notice to the Vendors at or before 12:00 p.m. on the Long Stop Date. In the event that any of the above conditions shall not have been fulfilled (or waived by the Offeror in whole or in part) at or before 12:00 p.m. on the Long Stop Date (or such other date as the Vendors and the Offeror may agree in writing), the Share Sale Agreement shall terminate with immediate effect.

If any of the conditions above is not waived (if waivable) or fulfilled at or before 12:00 p.m. on the Long Stop Date or Share Sale Completion does not take place on the Share Sale Completion Date otherwise than as a result of the default or failure of the Offeror, the Deposit shall be refunded to the Offeror, in which case the Vendors and the Offeror shall, within three (3) Business Days after the Long Stop Date or the Share Sale Completion Date (as the case may be), by delivering a cashier order issued by a licensed bank in Hong Kong to the Offeror.

If any one or more of the Vendors shall, as a result of its or their (as the case may be) default,

fail to complete the Share Sale on the Share Sale Completion Date or the Long Stop Date after all the conditions above shall have been fulfilled (or waived by the Offeror in accordance the terms and conditions of this Agreement), upon termination of the Share Sale Agreement, in addition to the Deposit to be refunded to the Offeror as stated above, the Vendors shall pay to the Offeror HK\$20,000,000 as and for liquidated damages.

If the Offeror shall, as a result of its default, fail to complete the Share Sale on the Share Sale Completion Date or the Long Stop Date after all the conditions above shall have been fulfilled (or waived by the Offeror in accordance the terms and conditions of the Share Sale Agreement), upon termination of the Share Sale Agreement, the Deposit shall be forfeited to the Vendors absolutely as and for liquidated damages.

Completion

Share Sale Completion shall take place at or before 4:00 p.m. on the Share Sale Completion Date (or at such other place, time and/or on such other day as the Offeror and the Vendors may agree in writing), which shall be the fifth Business Day after all the conditions precedent to the Share Sale Agreement are fulfilled or effectively waived or such other later date as the Offeror and the Vendors may agree in writing.

An announcement will be made upon Share Sale Completion in relation to the Offers in accordance with Rule 3.6 of the Takeovers Code.

As at the date of this joint announcement, Sure Strategy and Victory City Investments, being subsidiaries of VC, are interested in approximately [70.00] % and [0.54] % of the FGG Shares respectively. Merlotte Enterprise is interested in approximately [0.52]% of the entire issued capital of FGG. Upon Share Sale Completion, the VC Group will cease to have any interests in the FGG Shares and FGG will cease to be a subsidiary of VC.

B. GROUP REORGANISATION

Pursuant to the Group Reorganisation, amongst other things:

(i) Best Keen, a wholly-owned subsidiary of FGG, which acts as the intermediate holding company of the Remaining Group, and United Gainer, a wholly-owned subsidiary of Best Keen, were established as part of the Group Reorganisation;

(ii) FG International will transfer the HK Garment Sourcing Business and its related assets and liabilities to United Gainer;

(iii) FG Holdings will transfer the entire issued share capital of Top Value to Best Keen;

(iv) the Remaining Group will comprise of the Remaining Group Entities, and the Remaining Group will be principally engaged in the Garment Sourcing Business upon completion of the Group Reorganisation;

(v) the Disposal Group will comprise of the Disposal Group Entities, and the Disposal Group will be principally engaged in the Manufacturing Business upon completion of the Group Reorganisation;

(vi) the outstanding intra-group balances between the Remaining Group and the Disposal Group will be settled upon Share Sale Completion (save for the trade receivables and payables for the provision of apparel goods to the Remaining Group by the Disposal Group in the ordinary course of business); and

(vii) all the existing corporate guarantees given by the Remaining Group to the Disposal Group will be released and discharged in full, conditional only upon the Share Sale Completion, and all existing corporate guarantees and securities given by the Disposal Group in favour of the Remaining Group (if any) will be released and discharged in full, conditional only upon the Share Sale Completion.

~~{There is no condition precedent to the completion of the Group Reorganisation}. [C&P to advise]~~

Upon completion of the Group Reorganisation, the Remaining Group will be principally engaged in the Garment Sourcing Business, and the Disposal Group will be principally engaged in the Manufacturing Business.

C. SHARE PREMIUM CANCELLATION [Bermuda lawyer to review]

The FGG Board proposes to effect the Share Premium Cancellation, pursuant to which the entire amount standing to the credit of the share premium account of FGG will be cancelled and the credit arising from the Share Premium Cancellation will be transferred to the contributed surplus account of FGG for the implementation of part of the payment of the Special Cash Dividend. The Share Premium Cancellation is conditional upon, inter alia, the approval of the FGG Shareholders by way of a special resolution at the FGG SGM.

The amount standing to the credit of the share premium account of FGG amounted to approximately HK\$[65.2] million as at 30 September 2013 as per FGG's published interim report for the six months ended 30 September 2013.

D. PAYMENT OF SPECIAL CASH DIVIDEND

The FGG Board proposes that, subject to and upon completion of the Disposal and the Share Premium Cancellation becoming effective, the proposed Special Cash Dividend of not less than HK\$[*] (subject to finalisation) will be paid to the Qualifying FGG Shareholders whose names appear on the register of members of FGG on the Record Date (being a date falling before the date of Share Sale Completion, which is to be fixed for determining entitlements to the payment of the Special Cash Dividend). Based on 519,777,000 FGG Shares in issue on a fully-diluted basis (assuming all outstanding Share Options have been exercised) as at the date of this joint announcement, the proposed Special Cash Dividend will be not less than HK\$[*] per FGG Share (subject to finalisation). The proposed Special Cash Dividend will be paid in cash out of the FGG's reserves as partly contributed by the net proceeds to be received from the Disposal. An ordinary resolution will be put forward at the FGG SGM for declaration of the Special Cash Dividend.

FGG will announce the Record Date in accordance with Rule 13.66 of the Listing Rules as and when appropriate.

Further details, including the finalised amount of the proposed Special Cash Dividend to be declared and payable by FGG, will be set out in a circular to be despatched by FGG to the FGG Shareholders.

Conditions to the payment of Special Cash Dividend

The payment of the Special Cash Dividend is conditional upon:

- (i) the completion of the Group Reorganisation;
- (ii) the Share Premium Cancellation becoming effective;
- (iii) Share Sale Completion; and
- (iv) the consent of the Executive in relation to the Special Deals having been obtained and not revoked prior to completion of the Disposal.

None of the above conditions can be waived. Completion of the payment of the Special Cash Dividend will not take place unless all the above conditions precedent to the payment of the Special Cash Dividend have been fulfilled.

E. VERY SUBSTANTIAL DISPOSAL, CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE DISPOSAL

THE DISPOSAL AGREEMENT

Date:

[*] March 2014

Parties:

Vendor : FGG

Purchaser : Sure Strategy

As at the date of this joint announcement, Sure Strategy is interested in [315,200,000] FGG Shares, representing approximately [70.00]% of the entire issued share capital of FGG as at the date of this joint announcement, and is a substantial shareholder of FGG. Accordingly, Sure Strategy is a connected person of FGG.

VC is an investment holding company. The VC Group, which includes Sure Strategy, is principally engaged in the production and sale of knitted fabric and dyed yarn and garment products.

Given Mr. Choi, Mr. Chen and Mr. Li's respective interests in FGG and are therefore deemed to have material interests in the Disposal Agreement, Mr. Choi, Mr. Chen and Mr. Li abstained from voting at the FGG and VC board meetings approving the Disposal Agreement. Apart from Mr. Choi, Mr. Chen and Mr. Li, no other FGG Directors and VC Directors are required to be abstained from voting at the FGG and VC board meetings approving the Disposal Agreement.

Assets to be disposed of

Pursuant to the Disposal Agreement, Sure Strategy conditionally agreed to acquire and FGG conditionally agreed to dispose of the Disposal Shares, which represent the entire issued share capital of FG Holdings.

Consideration

The consideration for the Disposal is HK\$[270,000,000] and shall be satisfied in cash at completion of the Disposal. The consideration for the Disposal is determined after arm's length negotiations between FGG and Sure Strategy taking into account the unaudited net asset value of the Disposal Group as at 30 September 2013 and the fact that FGG is already a subsidiary of Sure Strategy.

The net proceeds from the Disposal (after deducting expenses directly attributable thereto) are estimated to be approximately HK\$[*] million and will be used towards the payment of the Special Cash Dividend.

The FGG Board (other than ~~and~~ the members of the FGG Independent Board Committee who defer their views till after advice has been sought from the FGG Independent Financial Adviser) considers that the terms of the Disposal Agreement are on normal commercial terms, fair and reasonable and in the interests of FGG and the FGG Shareholders as a whole.

The VC Board (other than ~~and~~ the members of the VC Independent Board Committee who defer their views till after advice has been sought from the VC Independent Financial Adviser) considers that the terms of the Disposal Agreement are on normal commercial terms, fair and reasonable and in the interests of VC and the VC Shareholders as a whole.

Conditions precedent

Completion of the Disposal is conditional upon the satisfaction of the following conditions:

- (i) the Share Sale Agreement having become unconditional (other than the fulfillment of any condition(s) in the Share Sale Agreement requiring completion of the Disposal Agreement and other transactions contemplated herein (including but not limited to the arrangements with respect to the HK Lease Agreement subject to the provisions and as referred herein)) and not being terminated in accordance with its terms and conditions;
- (ii) the passing by the FGG Independent Shareholders of an ordinary resolution approving the Disposal Agreement and the transactions contemplated hereunder in accordance with the requirements of the Listing Rules and the Takeovers Code;
- (iii) the passing by the VC Independent Shareholders of an ordinary resolution approving the Disposal Agreement and the transactions contemplated hereunder in accordance with the requirements of the Listing Rules and the Takeovers Code;
- (iv) the consent of the Executive in relation to the Special Deals having been obtained and not revoked prior to completion of the Disposal;

- (v) the Share Premium Cancellation becoming effective;
- (vi) the passing by the FGG Independent Shareholders of an ordinary resolution approving the payment of the Special Cash Dividend in accordance with the requirements of the Listing Rules and the Takeovers Code;
- (vii) the completion of the Group Reorganisation; and the
- (viii) the execution of the HK Lease Agreement.

In the event that any of the above conditions shall not have been fulfilled on or before 30 June 2014 (or such other date as FGG and Sure Strategy may agree in writing), the Disposal Agreement shall terminate with immediate effect.

Completion

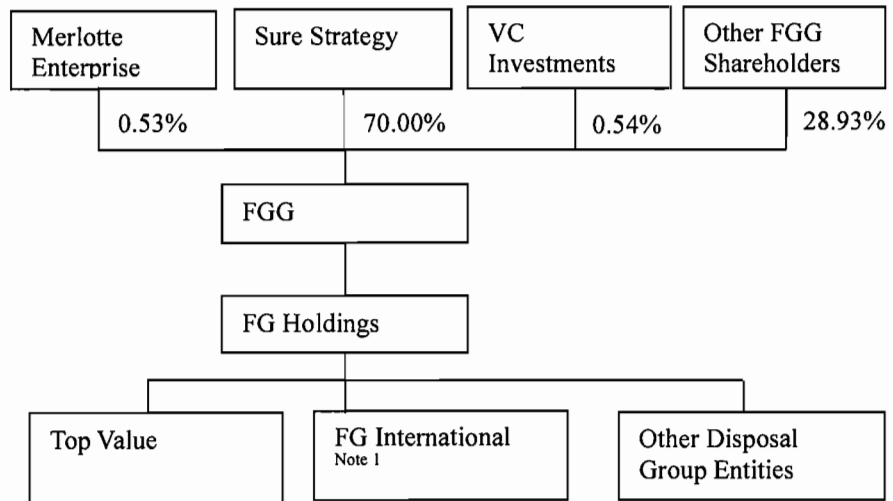
Completion shall take place ~~at or before [*] p.m. on the date of completion of the Disposal (or at such other place, time and/or on such other day as Sure Strategy and FGG may agree in writing), which shall be the [*] Business Day after all the conditions precedent are fulfilled or effectively waived or such other later date as Sure Strategy and FGG may agree in writing.~~ [C&P to advise] on the Share Sale Completion Date simultaneously with or immediately before completion of the Disposal Agreement.

Financial information in relation to the Share Sale and the Disposal

Rule 14.58(6), 14.58(7) and 14.60(3)(a) of the Listing Rules respectively requires the disclosure by FGG and VC of (i) the gain or loss expected to accrue to the VC Group and the basis for calculating such gain or loss as a result of the Share Sale; (ii) the asset value of and the net profits or loss of the Disposal Group; and (iii) the gain or loss expected to accrue to the FGG Group and the basis for calculating such gain or loss as a result of the Disposal (the "Required Financial Information") in this joint announcement. In connection with these requirements, application has been made by each of FGG and VC for waivers from inclusion of such information in this joint announcement. Such application has been made on the grounds that (i) the Required Financial Information are unaudited and unpublished figures (which is the only available information as at the date of this joint announcement) and, if disclosed in this joint announcement, will constitute profit forecasts within the meaning of Rule 10 of the Takeovers Code which would need to be reported on by an auditor and financial adviser of each of FGG and VC. It would be burdensome for each of FGG and VC to withhold this joint announcement until such reports are available; (ii) the grant of the waiver would not result in undue risks to each of the FGG Shareholders and VC Shareholders and be repugnant to the general principles under Rule 2.03 of the Listing Rules as each of the Share Sale and the Disposal are still subject to the approvals of each of the FGG Independent Shareholders and the VC Independent Shareholders who will be properly informed of the Required Financial Information in the respective circulars and will have the benefit of perusing the advice from each of the FGG Independent Board Committee and the FGG Independent Financial Adviser, and the VC Independent Board Committee and the VC Independent Financial Adviser, before making their decision on how to cast their votes in the FGG SGM and the VC SGM respectively; and (iii) the basis upon which the considerations for each of the Share Sale and the Disposal were determined has been disclosed in this joint announcement pursuant to Rule 14.58(5) of the Listing Rules.

Group structure before the Group Reorganisation, Disposal and Share Sale

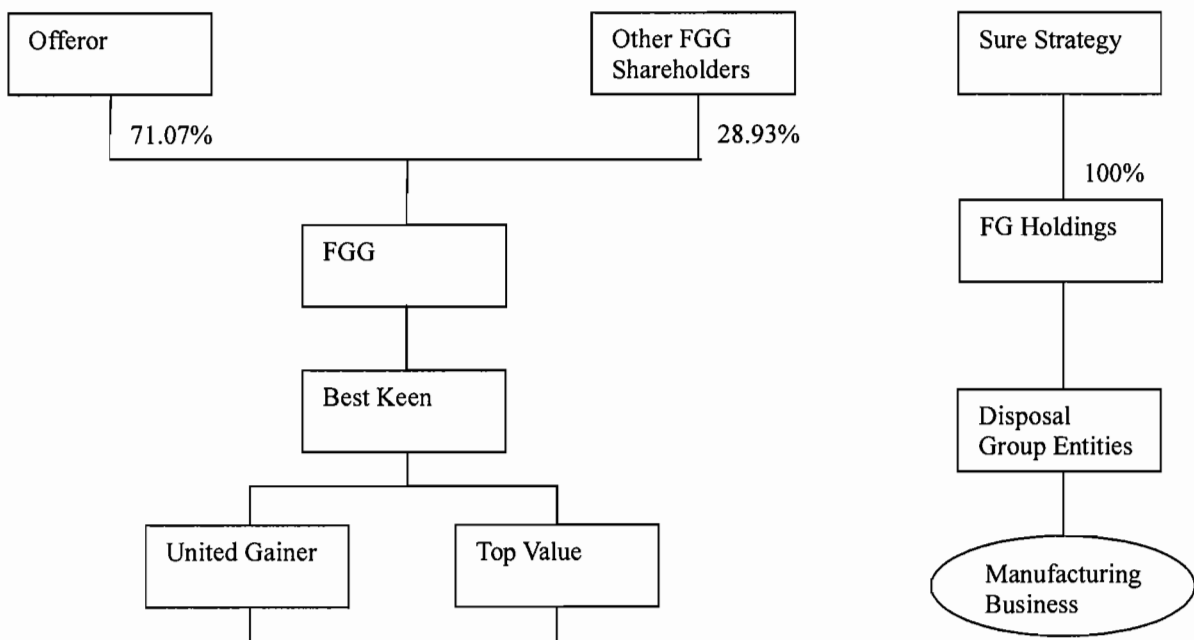
The chart below shows the simplified group structure of FGG Group as at the date of this joint announcement and immediately before completion of the Group Reorganisation, the completion of the Disposal and Share Sale Completion (assuming that there are no other changes in the shareholding structure of FGG since the date of this joint announcement):

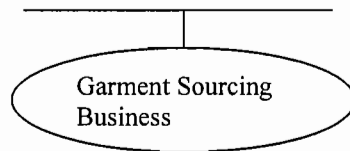


Note 1: Pursuant to the Group Reorganisation, the HK Garment Sourcing Business of FG International will be internally transferred to the Remaining Group.

Group structure after the Group Reorganisation, Disposal and Share Sale

The charts below show the respective simplified group structures of the Remaining Group and the Disposal Group immediately after completion of the Group Reorganisation, completion of the Disposal and Share Sale Completion, but before the commencement of the Offers (assuming that there are no other changes in the shareholding structure of FGG during this period):





Reasons for and benefits of the Group Reorganisation, the Disposal, the Special Cash Dividend and the Share Sale

During the negotiations between the parties to the Share Sale Agreement, the Offeror has expressed that it is not interested in the Manufacturing Business as [the Offeror prefers to operate a less asset-intensive business] **[Offeror to confirm]**. The Group Reorganisation is crucial for the FGG Group in achieving the structure desired by the Offeror as the Group Reorganisation allows the Garment Sourcing Business and the Manufacturing Business to be divided into the Remaining Group and the Disposal Group, respectively, which then facilitates the Disposal (i.e. the disposal of the Manufacturing Business to Sure Strategy). FG Holdings, a company incorporated in BVI with limited liability and directly wholly-owned by FGG, is the holding company of the Disposal Group. Upon completion of the Group Reorganisation, the Disposal Group will comprise the Disposal Group Entities. The Disposal Group will be principally engaged in the Manufacturing Business. As VC is principally engaged in the production and sale of knitted fabric and dyed yarn and garment products, the Manufacturing Business complements well with the existing operations of its subsidiaries. As such, the VC Directors consider that the Disposal allows VC to retain the Manufacturing Business, which is considered to complement its fabric manufacturing business, while the Share Sale represents an opportunity for the VC Group to realise its investment in FGG's Garment Sourcing Business.

Upon Share Sale Completion, the Offeror will become a controlling shareholder of FGG and is obliged to make the Offers, which are unconditional mandatory cash offers, to acquire all the issued FGG Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) at HK\$[0.808] per Offer Share, and to cancel the outstanding Share Options with exercise price of HK\$0.600 at HK\$[0.208] per Share Option and outstanding Share Options with exercise price of HK\$0.844 at a nominal value of HK\$[0.001] per Share Option. As mentioned above, as (i) the Group Reorganisation is a crucial step in reorganising the Garment Sourcing Business into the Remaining Group and the Manufacturing Business into the Disposal Group; (ii) the Disposal allows the Offeror to operate only the Garment Sourcing Business; and (iii) the completion of the Group Reorganisation and the completion of the Disposal are conditions precedent to Share Sale Completion, which in turn will ultimately lead to the Offers, the FGG Board therefore considers that the Group Reorganisation and the Disposal are in the interests of the FGG Shareholders as a whole.

In addition, the Offers and the Special Cash Dividend will provide a cash exit to any FGG Shareholder who wishes to realise all or part of his/her/its interests in FGG following Share Sale Completion. As such, the FGG Board considers that it is in the interests of the FGG Shareholders to provide them with an opportunity to consider and, if thought fit, approve the resolution for the Share Premium Cancellation and the payment of the Special Cash Dividend at the FGG SGM.

Information on the Remaining Group

FGG, a company incorporated in Bermuda with limited liability, is principally engaged in investment holding and is the holding company of the Remaining Group. Upon completion of the Group Reorganisation, the Remaining Group will comprise FGG's 100% interest in the Remaining Group Entities, which will be principally engaged in the Garment Sourcing Business.

The Garment Sourcing Business covers a comprehensive range of sourcing management services and expertise, including product design and product development, sampling, product offering, sourcing, outsourcing, logistics and delivery and overseas sales capabilities. The FGG Group's strength in design and development allows its in-house sample workshop to continuously innovate and provide new and up-to-date designs to customers in order to cater for their changing needs and requirements. The FGG Group also has established quality assurance and control teams to oversee the performance of its sub-contract manufacturers to ensure quality of all outsourced garment products. As a result of the FGG Group's sourcing capabilities and proven track record in successfully meeting the sourcing requirements of its customers, the FGG Group has established long and solid relationships with the top customers of the Garment Sourcing Business. Customers of the Garment Sourcing Business mainly comprise direct customers, which are mostly overseas brand owners, megastores, department stores, supermarket chains and importers.

After Share Sale Completion, the Vendors undertake to take all commercially reasonable steps to procure sufficient manpower to remain with the Remaining Group to facilitate continuity of the operations and the management of the members of the Remaining Group. The Vendors shall procure the Retained Employees to be engaged and appointed, and the Offeror shall procure the Remaining Group to engage and appoint the Retained Employees, as employees of the Remaining Group, for a period of not less than [one year] from date of Share Sale Completion.

F. EXEMPT CONTINUING CONNECTED TRANSACTION AND SPECIAL DEAL IN RELATION TO THE HK LEASE AGREEMENT

HK LEASE AGREEMENT

Date : [*] March 2014

Parties

Landlord : FG International

Tenant : United Gainer

Premise : The Office Premises (portion of the property located at 19/F., Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong with a total gross floor area of approximately [3,900] square feet)

Terms : [one year] commencing from [*] to [*] (both days inclusive)

Monthly rent : The rent, inclusive of government rates, government rent, management fee and all other outgoings, payable under

the HK Lease Agreement is HK\$[70,000] per month, which shall be payable by [*] in advance on the [*] day of each and every calendar month.

The rent was determined after arm's length negotiation and with reference to the prevailing market rent.

Deposit : The tenant shall pay to the landlord on the signing of the HK Lease Agreement the sum of HK\$[*] (equal to three months' rental) to the landlord.

Other term : The tenant has an option to extend the tenancy of the HK Lease Agreement for another [*] years upon expiration of the HK Lease Agreement at the then prevailing market rental.

The FGG Board (other than ~~and~~ the members of the FGG Independent Board Committee who defer their views till after advice has been sought from the FGG Independent Financial Adviser) considers that the terms of the HK Lease Agreement are on normal commercial terms, fair and reasonable and in the interests of FGG and the FGG Shareholders as a whole.

Given Mr. Choi, Mr. Chen and Mr. Li's respective interests in FGG and are therefore deemed to have material interests in the HK Lease Agreement, Mr. Choi, Mr. Chen and Mr. Li ~~abstained~~ shall abstain from voting at the FGG Board meeting approving the HK Lease Agreement. Apart from Mr. Choi, Mr. Chen and Mr. Li, no other FGG Directors are required to be abstained from voting at the FGG board meeting approving the HK Lease Agreement.

Reasons for and benefits of the HK Lease Agreement

The Office Premises have been FGG's administrative and operational headquarters since 2009. To ensure the least disruption in terms of business operations and costs brought about by any office relocations, the Offeror intends to keep the Office Premises for the business operations of the Remaining Group. The FGG Board therefore considers that the entering into of the HK Lease Agreement is in the interests of the FGG Shareholders as a whole.

G. POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS AND TO CANCEL THE SHARE OPTIONS

As at the date of this joint announcement, the Offeror and parties acting in concert with it are not interested in the share capital or voting rights of FGG. Upon Share Sale Completion, the Offeror and parties acting in concert with it will own in aggregate [320,000,000] FGG Shares, representing approximately [71.07]% of the entire issued share capital of FGG as at the date of this joint announcement. The Offeror will therefore upon Share Sale Completion be required under Rules 13.5 and 26.1 of the Takeovers Code to make mandatory unconditional cash offers for all the issued FGG Shares not already owned and/or agreed to be acquired by it and/or parties acting in concert with it and to cancel all the outstanding Share Options. The Offers comprising the Share Offer and the Option Offer, when made, will be unconditional in all respects.

As at the date of this joint announcement, there are [450,262,000] FGG Shares in issue and outstanding Share Options conferring the rights to the Optionholders to subscribe for an

aggregate of [32,050,000] Option Shares at HK\$[0.600] per Option Share and [37,465,000] Option Shares at HK\$[0.844] per Option Share. All the Share Options are currently exercisable. If the Share Options are exercised in full, FGG will have to issue [69,515,000] new FGG Shares, representing approximately [13.37]% of the issued share capital of FGG as enlarged by the allotment and issue of the aforesaid new FGG Shares.

As at the date of this joint announcement, save for the outstanding Share Options to subscribe for [69,515,000] Option Shares under the share option scheme of FGG approved and adopted on 2 June 2010, FGG has no other outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of FGG Shares and FGG has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

Principal terms of the Offers

The Share Offers

Subject to Share Sale Completion, Kingston Securities will, on behalf of the Offeror, and in compliance of the Takeovers Code, make the Offers on the following basis:

For each Offer Share HK\$[0.808] in cash

R3.5(a)

The Share Offer price is the same as the purchase price per Sale Share under the Share Sale Agreement, which was arrived after arm's length negotiations between the Offeror and the Vendors.

The Share Offer will extend to all FGG Shares in issue on the date on which the Share Offer is made, being the date of despatch of the Offer Document, and to any further FGG Shares which are unconditionally allotted or issued on the exercise of the Share Options, other than those Shares held by the Offeror and persons acting in concert with it.

Comparison of the Share Offer Price with market prices of the FGG Shares and net asset value per FGG Share

The combined consideration under the Share Offer and the Special Cash Dividend is equivalent to HK\$[*] per FGG Share, which represents:

- (i) a premium of approximately [%] over the closing price of HK\$[*] per FGG Share as quoted on the Stock Exchange on [*] 2014, being the Last Trading Day;
- (ii) a premium of approximately [%] over the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately [%] over the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately [%] over the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;

- (v) a premium of approximately [*]% over the audited net assets per FGG Share of approximately HK\$[0.789] as at 31 March 2013 (being the date to which the latest audited consolidated financial results of ~~the FGG Group~~ were made up), calculated based on ~~the FGG Group's~~ audited consolidated net assets attributable to equity holders of ~~Ford Glory FGG~~ of approximately HK\$[355,038,000] as at 31 March 2013 and [450,262,000] FGG Shares in issue as at the date of this joint announcement; and
- (vi) a premium of approximately [*]% over the unaudited net assets per FGG Share of approximately HK\$[0.839] as at 30 September 2013 (being the date to which the latest unaudited consolidated financial results of ~~the FGG Group~~ were made up), calculated based on ~~the FGG Group's~~ unaudited consolidated net assets attributable to equity holders of ~~Ford Glory FGG~~ of approximately HK\$[377,703,000] as at 30 September 2013 and [450,262,000] FGG Shares in issue as at the date of this joint announcement.

For illustration purpose only, the price of HK\$[0.808] per Offer Share represents:

- (i) a discount of approximately [*]% to the closing price of HK\$[*] per FGG Share as quoted on the Stock Exchange on [*] 2014, being the Last Trading Day;
- (ii) a discount of approximately [*]% to the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately [*]% to the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately [*]% to the average closing price of approximately HK\$[*] per FGG Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vii) a premium of approximately [2.408]% over the audited net assets per FGG Share of approximately HK\$[0.789] as at 31 March 2013 (being the date to which the latest audited consolidated financial results of ~~the FGG Group~~ were made up), calculated based on ~~the FGG Group's~~ audited consolidated net assets attributable to equity holders of FGG of approximately HK\$[355,038,000] as at 31 March 2013 and [450,262,000] FGG Shares in issue as at the date of this joint announcement; and
- (viii) a premium of approximately [*]% over the unaudited net assets per FGG Share of approximately HK\$[0.839] as at 30 September 2013 (being the date to which the latest unaudited consolidated financial results of ~~the FGG Group~~ were made up), calculated based on ~~the FGG Group's~~ unaudited consolidated net assets attributable to equity holders of ~~Ford Glory FGG~~ of approximately HK\$[377,703,000] as at 30 September 2013 and [450,262,000] FGG Shares in issue as at the date of this joint announcement.

Highest and lowest FGG Share price

During the six-month period preceding the date of the Preliminary Announcement and the period up to and including the Last Trading Day:

- (i) the highest closing price of the FGG Shares as quoted on the Stock Exchange was

HK\$[*] on [*]; and

- (ii) the lowest closing price of the FGG Shares as quoted on the Stock Exchange was HK\$[*] on [*].

The Option Offer

In respect of Share Options with an exercise price of HK\$0.600:

For cancellation of each such Share Option HK\$[0.208] in cash

In respect of Share Options with an exercise price of HK\$0.844:

For cancellation of each such Share Option HK\$[0.001] in cash

A comparison of the Share Offer Price to the closing prices of FGG Shares is set out above under the heading “Comparison of the Share Offer Price with market prices of the FGG Shares and net asset value per FGG Share”. Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price will normally represent the difference between the exercise price of the respective Share Options and the Share Offer Price. Under the Option Offer, the Option Offer Price for each in-the-money Share Option represents the difference between the Share Offer Price and the exercise price of these Share Options. However, as the exercise price of the out-of-the-money share options are above the Share Offer Price, their Option Offer Price is a nominal HK\$[0.001] per Share Option.

The Option Offer will extend to all Share Options in issue on the date on which the Option Offer is made, being the date of despatch of the Offer Document, and to any further Share Options issued, other than those Share Options held by the Offeror and persons acting in concert with it. As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold any Share Options.

Option Undertaking

[Mr. Ng has provided an irrevocable undertaking to the Vendors in respect of the Share Options comprised in his Option Undertaking to, prior to the closing of the Offers, (i) [exercise no less than [2,261,740] Share Options with an exercise price of HK\$0.600 into FGG Shares; and (ii) accept the Share Offer ~~or any other offer and/or proposal~~ to be made by the Offeror in respect of ~~his number of~~ such number of his FGG Shares.] Together with the Sale Shares, the Offeror will own approximately ~~61.56~~62.00% interest in FGG on a fully-diluted basis (assuming all outstanding Share Options have been exercised) before any other acceptance by any FGG Shareholder under the Share Offer.

Save for the aforesaid, the Offeror has not received any indication or irrevocable commitment from any FGG Shareholder or Optionholders that he/she/it will accept or reject the Offers as at the date of this joint announcement.

The making of the Offers is subject to Share Sale Completion which in turn is subject to a number of conditions precedent as referred to in the paragraph headed “Conditions precedent” in the section headed “Share Sale Agreement” above and therefore is a possibility only and it may or may not proceed. FGG Shareholders, the Optionholders and potential investors of FGG are advised to exercise caution in dealing in the FGG Shares.

Total consideration for the Offers

On the basis of the Share Offer price of HK\$[0.808] per Offer Share and [450,262,000] FGG Shares in issue as at the date of this joint announcement, the entire issued share capital of FGG is valued at HK\$[363,811,696].

In the event that (i) no Excluded Share Options have been exercised before the close of the Offers, and (ii) the Included Share Options have been exercised in full, and assuming full acceptance of the Share Offer, the Share Offer and the Option Offer will amount to approximately HK\$[107,079,182] and HK\$[6,199,705] respectively.

In the event that all outstanding Share Options have been exercised in full, [519,777,000] FGG Shares will be subject to the Share Offer and the Share Offer is valued at HK\$[419,979,816].

Confirmation of financial resources

[Assuming all outstanding Share Options have been exercised, the financial resources of the Offeror to fund the consideration under the Share Sale and the Offers amounting to an aggregate of HK\$[419,979,816] are financed by (i) standby facility of up to HK\$[270] million granted by Kingston Securities and (ii) the Offeror's internal resources. **[Offeror/Kingston to elaborate and update]**

[Kingston CF, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptance of the Offers].

Effect of accepting the Offers

[The Share Offer, subject to the Share Sale Completion taking place, will be unconditional. By accepting the Share Offer, the FGG Shareholders will sell their FGG Shares free from any liens, charges and encumbrance and together with all rights attaching to them including all dividends and distributions (but excluding any entitlements to the Special Cash Dividend) which may be declared, made or paid at any time on or after the date on which the Share Offer is made, being the date of despatch of the Offer Document.

Acceptance of the Share Offer by any FGG Shareholder will be deemed to constitute a warranty by such person that all FGG Shares sold by such person under the Share Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions (but excluding any entitlements to the Special Cash Dividend) recommended, declared, made or paid, if any, on or after the date on which the Share Offer is made. Acceptances of the Share Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

The Option Offer, subject to the Share Sale Completion taking place, will be unconditional. By accepting the Option Offer, Optionholders will sell their Share Options free from any liens, charges and encumbrance and together with all rights attaching to them on or after the date on which the Option Offer is made, being the date of despatch of the Offer Document.

Acceptance of the Option Offer by any Optionholder will be deemed to constitute a warranty

by such person that all Share Options sold by such person under the Option Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and will be cancelled and renounced together with all rights attaching thereto on or after the date on which the Option Offer is made, being the date of despatch of the Offer Document. Acceptances of the Option Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.]

[In accordance with the terms of the share option scheme of FGG adopted on 2 June 2010, upon the Share Offer being made, FGG will, as soon as reasonably practicable, give written notice to the Optionholders whereupon such Optionholders shall, by notice in writing to FGG, be entitled to exercise the subscription rights attaching to the Share Options in full or to the extent specified in such notice within 14 days of the date of such notice, after which the unexercised Share Options shall lapse according to the terms of the share option scheme of FGG.]

[Hong Kong stamp duty

Seller's ad valorem stamp duty arising in connection with acceptance of the Share Offer amounting to HK\$1.00 for every HK\$1,000.00 or part thereof of the amount payable in respect of relevant acceptances by the FGG ~~Independent~~ Shareholders, or (if higher) the value of the FGG Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the FGG ~~Independent~~ Shareholders who accept the Share Offer. The Offeror will then pay the stamp duty so deducted on their behalf. The Offeror will bear buyer's ad valorem stamp duty.

No stamp duty is payable in connection with the acceptance of the Option Offer.]

Payment

Payment in cash in respect of acceptances of the Offers (after deducting the accepting FGG Shareholders' share of stamp duty) will be made as soon as possible but within seven business days (as defined under the Takeovers Code) of the date of receipt of a duly completed acceptance. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offers complete and valid.

Overseas FGG Shareholders and overseas Optionholders

As the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas FGG Shareholders and Optionholders who are citizens or residents or nationals of a jurisdiction outside Hong Kong should inform themselves about and observe any applicable legal or regulatory requirements and where necessary seek legal advice. It is the responsibility of the Overseas FGG Shareholders and/or overseas Optionholders who wish to accept the Share Offer and/or the Option Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdiction).

Any acceptance by any FGG Shareholder or Optionholders will be deemed to constitute a representation and warranty from such Shareholder or Optionholders to the Offeror

that the local laws and requirements have been complied with. The FGG Shareholders and Optionholders should consult their professional advisers if in doubt.

Dealing and interests in the FGG's securities

[The Offeror and parties acting in concert with any of it have not dealt in the share, convertible securities, warrants, options or derivatives of FGG during the six-month period preceding the date of the Preliminary Announcement and the period up to and including the date of this joint announcement save for the MOU and the Share Sale Agreement to which the Offeror is a party. **[Offeror to confirm]**]

Other arrangements [Offeror to confirm]

[The Offeror, save as disclosed in this joint announcement, confirms that as at the date of this joint announcement:

- (i) neither the Offeror, its ultimate beneficial owner nor any person acting in concert with any of them owned or had control or direction over any voting rights or rights over the FGG Shares or convertible securities, warrants, options of FGG or any derivatives in respect of such securities; R3.5(c)((i) & (ii))
- (ii) neither the Offeror, its ultimate beneficial owner nor any person acting in concert with any of them had dealt for value in any FGG Shares, convertible securities, warrants or options of FGG or any derivatives in respect of such securities in the six months prior to the date of this joint announcement; R3.5(c)((vi))
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the FGG Shares and which might be material to the Offers; R3.5(f)
- (iv) there is no agreement or arrangement to which the Offeror or its ultimate beneficial owner is a party which relates to circumstances in which it may or may not seek to invoke a pre-condition or a condition to the Offers; R3.5(g)
- (v) neither the Offeror, its ultimate beneficial owner nor any person acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of FGG; R3.5(h)
- (vi) neither the Offeror, its ultimate beneficial owner nor any person acting in concert with any of them has received any irrevocable commitment to accept the Offers; and R3.5(c)((iii))
- (vii) there is no outstanding derivative in respect of the securities in FGG entered into by the Offeror, its ultimate beneficial owner nor any person acting in concert with any of them.] R3.5(d)

FGG Shareholders and the Optionholders are reminded to read the recommendations of the FGG Independent Board Committee and the advice of the FGG Independent Financial Adviser in respect of the Offers that will be included in the Offer Document before deciding whether or not to accept the Offers.

Effect of the Share Sale Completion on shareholding structure of FGG

For illustration purposes, set out below is the shareholding structure of FGG_(i)_as at the date of this joint announcement; (ii)_immediately upon Share Sale Completion (assuming no other changes in the issued share capital and shareholding in FGG from the date of this joint announcement up to Share Sale Completion but before the commencement of the Offers) and (iii)_immediately upon Share Sale Completion on a fully-diluted basis (assuming all outstanding Share Options have been exercised but no other changes in the issued share capital and shareholding in FGG from the date of this joint announcement up to Share Sale Completion but before the commencement of the Offers):

	As at the date of this joint announcement		Immediately after <u>upon</u> Share Purchase <u>Sale</u> Completion but before the commencement of the Offers (assuming no outstanding Share Options have been exercised)		Immediately after <u>upon</u> Share Purchase <u>Sale</u> Completion but before the commencement of the Offers (assuming all outstanding Share Options have been exercised)	
	<i>Number of FGG Shares</i>	<i>%</i>	<i>Number of FGG Shares</i>	<i>%</i>	<i>Number of FGG Shares</i>	<i>%</i>
The Offeror	[-]	[-]	[320,000,000]	[71.07]	[320,000,000]	[61.56]
Sure Strategy	[315,200,000]	[70.00]	[-]	[-]	[-]	[-]
Merlotte Enterprise	[2,352,000]	[0.53]	[-]	[-]	[-]	[-]
VC Investments	[2,448,000]	[0.54]	[-]	[-]	[-]	[-]
Nr. Ng	[341,000]	[0.08]	[341,000]	[0.08]	[58,341,000]	[11.22]
Other FGG Shareholders	[129,921,000]	[28.85]	[129,921,000]	[28.85]	[141,436,000]	[27.22]
Total	[450,262,000]	100.0	[450,262,000]	100.0	[519,777,000]	100.0

Information on the Offeror

The Offeror is an investment holding company with limited liability incorporated in the BVI on 5 January 2010. The Offeror is an investment holding company and is directly and beneficially owned as to 60% by Mr. Gao Zhiyin and 40% by Mr. Gao Zhiping. Mr. Gao Zhiyin and Mr. Gao Zhiping are the directors of the Offeror. Mr. Gao Zhiyin is the elder brother of Mr. Gao Zhiping.

R3.5(b)

The Offeror is interested in the entire equity interest in Highlight Vision Limited (“**Highlight Vision**”), which is [an investment holding company] incorporated in Hong Kong on [8 March 2011]. Mr. Gao Zhiyin and Mr. Gao Zhiping are the directors of Highlight Vision. Save for entering into the MOU, the Share Sale Agreement and [*], the Offeror and Highlight Vision have not commenced any business activity. **[To be updated]**

Mr. Gao Zhiyin, aged [44], is [*].

Mr. Gao Zhiping, aged [42], is [*].

[Offeror, please provide]

Intentions of the Offeror regarding the Remaining Group

[Following the close of the Offers, the Offeror intends to continue the businesses of the Remaining Group. Save as contemplated under the Disposal Agreement, the Offeror has no intention to dispose of ~~the Company's~~ the FGG Group's existing businesses. The Offeror will, following the completion of the Offers, conduct a detailed review of the operations of the Remaining Group with a view to developing a sustainable corporate strategy to broaden its income stream, which may include rebalancing the resources of the Remaining Group should appropriate opportunities arise. As at date of this joint announcement, the Offeror has no plans to inject any of its assets into FGG.]

Save for the proposed change in FGG Board composition set out in the paragraph headed "Proposed change of FGG Board" below and subject to the result of the Offeror's review of FGG, the Offeror has no intention to (i) discontinue the employment of any employees of the FGG Group; or (ii) redeploy the fixed assets of FGG other than those in its ordinary and usual course of business.] *[N.B. To be amended upon receiving the reply from the Offeror.]*

Proposed change of the FGG Board

The FGG Board is currently made up of nine FGG Directors, comprising three executive FGG Directors, being Mr. Choi Lin Hung, Mr. Lau Kwok Wa, Stanley and Mr. Ng Tze On, two non-executive FGG Directors, being Mr. Chen Tien Tui and Mr. Li Ming Hung and four independent non-executive FGG Directors, being Mr. Lau Chi Kit, Mr. Mak Chi Yan, Mr. Wong Wai Kit, Louis and Mr. Yuen Kin Kei. [The Offeror intends to nominate new executive and independent non-executive FGG Directors to the FGG Board and such appointments will not take effect earlier than the date of posting of the offer document in relation to the Offers or such other date as permitted under the Takeovers Code. Immediately after the first closing of the Offers (or such other time as permitted by the Takeovers Code), all FGG Directors will resign from their office. Any change to the FGG Board will be made in compliance with the Takeovers Code and the Listing Rules and will be announced accordingly. **[Offeror, please confirm]**

Public float and maintaining the listing status of FGG

[The Offeror intends to maintain the listing of the FGG Shares on the Stock Exchange after the close of the Offers and will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offers to ensure that a sufficient public float exists for the FGG Shares. The Offeror does not intend to exercise or apply any right which may be available to it to acquire compulsorily any FGG Shares outstanding after the close of the Offers.]

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to FGG, being 25% of the issued FGG Shares, are held by the public at all time, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the FGG Shares; or

- (ii) that there are insufficient FGG Shares in public hands to maintain an orderly market,

then, it will consider exercising its discretion to suspend dealings in the FGG Shares. Each of the Offeror and FGG will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the FGG Shares]. **[Offeror, please confirm]**

H. PROPOSED CHANGE OF NAME [Offeror/Bermuda lawyer/PH, please comment on this section]

The FGG Board proposes to change the English company name of FGG from “Ford Glory Group Holdings Limited” to “[*] Limited” and the Chinese company name of FGG from “福源集團控股有限公司” to “[*]”.

The FGG Board believes that the new English and Chinese names of FGG can provide FGG with fresh corporate identity that may reflect the change in controlling shareholder of FGG. The FGG Board is of the opinion that the Proposed Change of Name is in the best interests of FGG and the FGG Shareholders as a whole.

Conditions to the Proposed Change of Name

The payment of the Special Cash Dividend is conditional upon:

- (i) the passing of a special resolution by the FGG Shareholders at the FGG SGM to approve the Proposed Change of Name; and
- (ii) the Registrar of Companies in Bermuda granting approval for the use of the proposed new English and Chinese names by FGG.

Effect of the Proposed Change of Name

Subject to the satisfaction of the conditions set out above, the Proposed Change of Name will take effect from the date of entry of the new names on the register maintained by the Registrar of Companies in Bermuda. FGG will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

The Proposed Change of Name will not affect any rights of the FGG Shareholders or the FGG’s daily business operation and its financial position. All existing share certificates of FGG in issue bearing the present name of FGG shall, after the Proposed Change of Name becoming effective, continue to be evidence of title to the FGG Shares and will continue to be valid for trading, settlement, registration and delivery for the same number of FGG Shares in the new name of FGG. As such, no arrangement will be made for the exchange of the existing share certificates of FGG for the new share certificates bearing FGG’s new name as a result of the Proposed Change of Name.

Once the Proposed Change of Name has become effective, any new share certificates of FGG will be issued only in the new name of FGG and the securities of FGG will be traded on the Stock Exchange.

I. PROPOSED CONNECTED TRANSACTIONS IN RELATION TO PROVISION OF GUARANTEES

VC proposes to provide the Guarantees in favour of the Lenders in respect of the Facilities in the aggregate maximum amount of approximately HK\$[*] million granted by the Lenders to FG International, Value Plus and Major Time in the manner set out below.

DBS Guarantees

On 21 February 2012 and 7 March 2012, DBS indicated they were prepared to consider making available or continuing to make available each of the (i) DBS-FGI Facilities of up to HK\$[75] million to FG International; and (ii) DBS-VP Facilities of up to HK\$[50] million to Value Plus, respectively.

Under the terms of the DBS-FGI Facilities, FGG is required to provide the DBS-FGG-FGI Guarantee for an unlimited amount in favour of DBS to secure the DBS-FGI Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the DBS-VC-FGI Guarantee in favour of DBS to secure the DBS-FGI Facilities in place of the DBS-FGG-FGI Guarantee.

Under the terms of the DBS-VP Facilities, each of FGG and FG International is required to provide the DBS-FGG-VP Guarantees for HK\$55 million in favour of DBS to secure the DBS-VP Facilities. . The DBS-VP Facilities are also secured by a legally notarised Livranca for HK\$55 million signed by Value Plus. Upon completion of the Disposal, it is proposed that [VC] will provide the DBS-VC-VP Guarantees in favour of DBS respectively to secure the DBS-VP Facilities in place of the DBS-FGG-VP Guarantees.

[Each of FG International and Value Plus will not provide to [VC] any guarantee fee or security in respect of the DBS Guarantees. Other than the DBS Guarantees and the legally notarised Livranca for HK\$55 million, no guarantee nor security will be given in favour of DBS in respect of the DBS Facilities.]

Merlotte Enterprise will provide a pro rata counter indemnity to VC in respect of the DBS Guarantees.

Hang Seng Guarantees

On 8 January 2014 and 24 January 2014, Hang Seng offered (i) the HS-FGI Facilities of up to HK\$198 million to FG International; and (ii) the HS-VP Facilities of up to HK\$40 million to Value Plus, respectively.

Under the terms of the HS-FGI Facilities, FGG is required to provide the DBS-FGG-FGI Guarantee for HK\$127 million in favour of Hang Seng to secure the HS-FGI Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the HS-VC-FGI Guarantee in favour of Hang Seng to secure the HS-FGI Facilities in place of the HS-FGG-FGI Guarantee.

Under the terms of the HS-VP Facilities, FGG is required to provide the HS-FGG-VP Guarantee for an unlimited amount in favour of Hang Seng to secure the HS-VP Facilities. The HS-VP Facilities are also secured by a legally notarised Livranca for HK\$55 million already executed by Value Plus. Upon completion of the Disposal, it is proposed that [VC] will provide the HS-VC-VP Guarantee in favour of Hang Seng to secure the HS-VP Facilities in place of the HS-FGG-VP Guarantee.

[Each of FG International and Value Plus will not provide to [VC] any guarantee fee or security in respect of the Hang Seng Guarantees. Other than the Hang Seng Guarantees and the legally notarised Livranca for HK\$55 million, no guarantee nor security will be given in favour of Hang Seng in respect of the Hang Seng Facilities.]

Merlotte Enterprise will provide a pro rata counter indemnity to VC in respect of the Hang Seng Guarantees.

HSBC Guarantees

On 4 September 2013 and 5 August 2013, HSBC confirmed their agreement to make available (i) the HSBC-FGI-MT Facilities with a combine limit of up to HK\$70 million available to FG International and Major Time; and a combined limit of HK\$45 million available only to Major Time; and (ii) the HSBC-VP Facilities of up to HK\$50 million import facilities and HK\$2 million clean cheque purchase lines to Value Plus, respectively. FGG and FG International are required to provide the HSBC-FGG-FGI-MT Guarantees for an aggregate of HK\$60 million in favour of HSBC in respect of the HSBC-FGI-MT Facilities.

Upon completion of the Disposal, it is proposed that [VC] will provide the HSBC-VC-FGI-MT Guarantees in favour of HSBC to secure HSBC-FGI-MT Facilities in place of the HSBC-FGG-FGI-MT Guarantees.

Further, FGG is required to provide the HSBC-FGG-VP Guarantee for HK\$65 million in favour of HSBC to secure the HSBC-VP Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the HSBC-VC-VP Guarantee in favour of HSBC to secure the HSBC-VP Facilities in place of the HSBC-FGG-VP Guarantee.

[Each of FG International, Major Time and Value Plus will not provide to [VC] any guarantee fee or security in respect of the HSBC Guarantees. Other than the HSBC Guarantees, no guarantee nor security will be given in favour of HSBC in respect of the HSBC Facilities.]

Merlotte Enterprise will provide a pro rata counter indemnity to [VC] in respect of the HSBC Guarantees.

CITIC Guarantees

On 10 December 2013 and 18 January 2012 (as supplemented on 11 January 2013), CITIC indicated they would consider requests made by each of (i) FG International for the general banking facility of up to HK\$50 million pursuant to CITIC-FGI Facilities; and (ii) Value Plus for the general banking facility of up to HK\$20 million pursuant to CITIC-VP Facilities. Under the terms of the CITIC-FGI Facilities, FGG is required to provide the CITIC-FGG-FGI Guarantee for HK\$130 million in favour of CITIC to secure the CITIC-FGI Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the CITIC-VC-FGI Guarantee in favour of CITIC to secure the CITIC-FGI Facilities in place of the CITIC-FGG-FGI Guarantee.

Under the terms of the CITIC-VP Facilities, FGG is required to provide the CITIC-FGG-VP Guarantee for HK\$20 million in favour of CITIC to secure the CITIC-VP Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the CITIC-VC-VP Guarantee in favour of CITIC to secure the CITIC-VP Facilities in place of the CITIC-FGG-VP Guarantee.

[Each of FG International and Value Plus will not provide to [VC] any guarantee fee or security in respect of the CITIC Guarantees. Other than the CITIC Guarantees, no guarantee nor security will be given in favour of CITIC in respect of the CITIC Facilities.]

Merlotte Enterprise will provide a pro rata counter indemnity to [VC] in respect of the CITIC Guarantees.

WH-VC Guarantee

On 25 March 2013, Wing Hang confirmed that they would renew and revise the Wing Hang Facilities to FG International up to HK\$25 million. Under the terms of the Wing Hang Facilities, FGG is required to provide the WH-FGG Guarantee in favour of Wing Hang for all monies obligations and liabilities (actual or contingent) owed by FG International to secure the Wing Hang Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the WH-VC Guarantee in favour of the Wing Hang to secure Wing Hang Facilities in place of the WH-FGG Guarantee.

FG International will not provide to [VC] any guarantee fee or security in respect of the WH-VC Guarantee. Other than the WH-VC Guarantee, no guarantee nor security will be given in favour of Wing Hang in respect of the Wing Hang Facilities.

Merlotte Enterprise will provide a pro rata counter indemnity to [VC] in respect of the WH-VC Guarantee.

ANZ-VC Guarantee

On 11 September 2011, ANZ confirmed that they are prepared to make available the ANZ Facilities of up to HK\$50 million to FG International. Under the terms of the ANZ Facilities, FGG is required to provide the ANZ-FGG Guarantee in favour of ANZ for HK\$50 million and an amount equal to the aggregate of all interest, costs and expenses accrued thereon. Upon completion of the Disposal, it is proposed that [VC] will provide the ANZ-VC Guarantee in favour of ANZ to secure the ANZ Facilities in place of the ANZ-FGG Guarantee.

[FG International will not provide to [VC] any guarantee fee or security in respect of the ANZ-VC Guarantee. Other than the ANZ-VC Guarantee, no guarantee nor security will be given in favour of ANZ in respect of the ANZ Facilities.]

Merlotte Enterprise will provide a pro rata counter indemnity to [VC] in respect of the ANZ-VC Guarantee.

Mizhuo-VC Guarantee

On 17 September 2012, Mizhuo confirmed that they were prepared to make available to FG International the Mizhuo Facilities up to HK\$30 million. Under the terms of the Mizhuo Facilities, FGG is required to provide the Mizhuo-FGG Guarantee in favour of Mizhuo for HK\$33 million, plus interest and other charges accrued thereon, to secure the Mizhuo Facilities. Upon completion of the Disposal, it is proposed that [VC] will provide the Mizhuo-VC Guarantee in favour of Mizhuo to secure Mizhuo Facilities in place of Mizhuo-FGG Guarantee.

[FG International will not provide to [VC] any guarantee fee or security in respect of the Mizhuo-VC Guarantee. Other than the Mizhuo-VC Guarantee, no guarantee nor security will be given in favour of Mizhuo in respect of the Mizhuo Facilities].

Merlotte Enterprise will provide a pro rata counter indemnity to [VC] in respect of the Mizhuo-VC Guarantee.

Intended use of the facilities granted to FG International, Value Plus and Major Time

The principal business of each of FG International, Value Plus and Major Time is the [trading of garment products and accessories and the provision of quality inspection services]. FG International, Value Plus and Major Time has been and will continue to be responsible for [the majority of the trading of garment products of the VC Group] upon completion of the Disposal.

[The Facilities include term loan and normal trade lines (such as letters of credit and trust receipts) for the existing business activities of FG International, Value Plus and Major Time and they will be used to finance the general operation of FG International, Value Plus and Major Time. The aggregate maximum amount of the Facilities has been arrived at having regard principally to the requirement by the VC Group of banking facilities to finance the general operation of FG International, Value Plus and Major Time in the foreseeable future.]

Reasons for the provision of the Guarantees

Upon completion of the Disposal, [VC] will be required to provide the Guarantees in the manner set out in the paragraph headed "I. Proposed connected transactions in relation to provision of guarantees" above. The VC Directors consider that VC will benefit from the provision of the Guarantees in terms of the facilitation of the growth of the business of FG International, Value Plus and Major Time, each of which will become a wholly-owned subsidiary of the VC Group after completion, to be afforded by the Facilities.

[Given that FG International, Value Plus and Major Time has been and will continue to be responsible for the majority of the trading of garment products of the VC Group upon completion of Disposal, the Directors consider that the exposure of the VC Group to the liabilities under the Guarantees is commercially justifiable and is therefore in the interest of VC to assist each of FG International, Value Plus and Major Time to obtain the Facilities. In view that Merlotte Enterprise will give a pro rata counter-indemnity in respect of the Guarantees, the VC Directors are of the view that the granting of the Guarantees is on normal commercial terms and is fair and reasonable so far as VC and the Independent Shareholders are concerned.

J. GENERAL

Implications of the Takeovers Code and the Listing Rules

As the applicable percentage ratios for the Share Sale Agreement under the Listing Rules are more than 5% but less than 25% for VC, the Share Sale Agreement constitutes discloseable transaction for VC.

Since the transactions contemplated under the Special Deals are not capable of being extended to all FGG Shareholders, each of the Special Deals constitutes a special deal under Rule 25 of

the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will normally be conditional upon the FGG Independent Financial Adviser publicly stating in its opinion that the terms of the Special Deals are fair and reasonable and the approval of the FGG Independent Shareholders voting by way of a poll at the FGG SGM.

An application will be made to the Executive for consent to proceed with the Special Deals under Rule 25 of the Code. FGG Shareholders should note that such consent may or may not be granted by the Executive and, if such consent is not granted, the Special Deals will not proceed. As the obtaining of such consent is a condition to Share Sale Completion and the making of the Offers by the Offeror, the Offers will not be made if such consent is not obtained on or before the Long Stop Date.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal Agreement is over 75% for FGG and are more than 5% but less than 25% for VC, the Disposal constitutes a very substantial disposal to FGG and a discloseable transaction to VC under Chapter 14 of the Listing Rules.

As at the date of this joint announcement, Sure Strategy is interested in [315,200,000] FGG Shares, representing approximately [70.0]% of the entire issued share capital of FGG, and is a substantial shareholder of FGG. Accordingly, Sure Strategy is a connected person of FGG.

FGG is a connected person of VC under Rule 14A.11(5) of the Listing Rules by virtue of the fact that FGG is an associate of Mr. Choi as Mr. Choi is entitled to control the exercise of 30% or more of the voting power at any general meeting of FGG through his wholly-owned company, Merlotte Enterprise, and his associate, Sure Strategy.

Therefore, the Disposal also constitutes a connected transaction for each of FGG and VC, respectively, under Chapter 14A of the Listing Rules. The Disposal, being a very substantial disposal and connected transaction for FGG, and a discloseable and connected transaction for VC, is therefore subject to the reporting, announcement and the FGG Independent Shareholders' and the VC Independent Shareholders' approval requirements under the Listing Rules.

The transactions contemplated under the HK Lease Agreement will, upon completion of the Disposal, constitute continuing connected transactions for FGG under Chapter 14A of the Listing Rules by virtue of FG International being an associate of Mr. Choi and thus a connected person of FGG under the Listing Rules. As each of the applicable percentage ratios (calculated pursuant to Chapter 14A of the Listing Rules) in respect of the continuing connected transactions contemplated under the HK Lease Agreement is less than 5% and the annual consideration is less than HK\$1 million, the HK Lease Agreement and the transactions contemplated thereunder shall be exempt from the reporting, announcement and the FGG Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Notwithstanding the requirements of the Listing Rules, as stated above, the Special Deals are required to be approved by the FGG Independent Shareholders as a special deal pursuant to Rule 25 of the Takeovers Code.

As the applicable percentage ratios for the Share Sale Agreement under the Listing Rules are more than 5% but less than 25% for VC, the Share Sale Agreement constitutes discloseable transactions for VC. As the Share Sale Agreement is inter-conditional with the Disposal Agreement, the Share Sale Agreement also constitutes a connected transaction for VC and is

therefore subject to the reporting, announcement and the VC Independent Shareholders' approval requirements under the Listing Rules.

The transaction contemplated under the provision of Guarantees will upon completion of the Disposal, constitute connected transactions for VC under Chapter 14A of the Listing Rules. Each of FG International, Value Plus and Major Time is wholly owned by FG Holdings which is in turn held as to 51% indirectly by VC and 49% indirectly by Merlotte Enterprise, a company wholly-owned by Mr. Choi who is one of the VC Directors.

Given that the financial assistance to be provided by VC by way of the Guarantees to each of FG International, Value Plus and Major Time will exceed the proportional interest of VC in FG International, Value Plus and Major Time (as the case may be) and that the aggregate limit of the amount to be secured by the Guarantees exceeds HK\$10 million, the provision of the Guarantees will constitute non-exempt connected transactions for VC under Rule 14A.63 of the Listing Rules. Accordingly, the provision of the Guarantees is subject to the reporting, announcement and VC Independent Shareholders' approval requirements under Rule 14A.63 of the Listing Rules. As at the date of this announcement, the Guarantees have not been given. It is intended that the Guarantees will be executed shortly after the approval of the VC Independent Shareholders for the giving of the Guarantees is obtained at the VC SGM. The proposed provision of the Guarantees, when executed after the VC Independent Shareholders' approval has been obtained.

The pro rata counter indemnities to be given by Merlotte Enterprise in respect of the Guarantees will constitute connected transactions for VC which, under Rule 14A.65(4) of the Listing Rules, are exempt from the reporting, announcement and independent shareholders' approval requirements of Rule 14A.63 of the Listing Rules.

FGG SGM

The FGG SGM will be held for the purpose of considering and, if thought fit, approving the ordinary resolutions in respect of the Special Cash Dividend and the Special Deals, and the special resolutions in respect of the Share Premium Cancellation and the Proposed Change of Name, by way of poll at the FGG SGM. The Special Deals are required to be approved by the FGG Independent Shareholders at the FGG SGM, and the Special Cash Dividend, the Share Premium Cancellation and the Proposed Change of Name are required to be approved by the FGG Shareholders at the FGG SGM.

Shareholders including (i) VC, its associates and parties acting in concert with any of them, including Sure Strategy, Mr. Choi, Mr. Chen and Mr. Li; (ii) Mr. Ng who has provided the Option Undertaking; and (iii) any FGG Shareholders who are involved in or interested in the Special Deals or the transactions contemplated thereunder shall abstain from voting on all the resolutions approving the Special Deals at the FGG SGM.

FGG Independent Board Committee

The FGG Independent Board Committee, comprising all independent non-executive FGG Directors, namely Mr. Lau Chi Kit, Mr. Mak Chi Yan, Mr. Wong Wai Kit, Louis and Mr. Yuen Kin Kei, has been formed to advise the FGG Independent Shareholders in respect of the Special Deals, the Offers and the respective transactions contemplated thereunder.

Circular and appointment of the independent financial adviser pursuant to Rule 2.1 of the Takeovers Code

A circular containing, among other things, (i) details of the Share Sale Agreement, the Disposal Agreement and the HK Lease Agreement; (ii) further information on the Group Reorganisation, the Share Premium Cancellation, the payment of the Special Cash Dividend and the Special Deals; (iii) financial information of each of the FGG Group and the Disposal Group; (iv) pro forma financial information of the Remaining Group; (v) the letter of recommendation from the FGG Independent Board Committee and the letter of advice from FGG Independent Financial Adviser to the FGG Independent Board Committee and the FGG Independent Shareholders in respect of the Special Deals and the transactions contemplated thereunder; and (vi) a notice convening the FGG SGM is expected to be despatched to the FGG Shareholders on or not later than [*] April 2014.

{Shenyin Wanguo} has been appointed as the FGG Independent Financial Adviser to advise the FGG Independent Board Committee and the FGG Independent Shareholders in respect of the Special Deals, the Offers and the respective transactions contemplated thereunder. The appointment of {Shenyin Wanguo} as the FGG Independent Financial Adviser has been approved by the FGG Independent Board Committee.

The advice of {Shenyin Wanguo} and the recommendation of the FGG Independent Board Committee in respect of the Offers, in particular, as to whether the Offers are, or are not, fair and reasonable and as to its acceptance, will be included in the Offer Document.

VC SGM

The VC SGM will be held for the purpose of considering and, if thought fit, approving the resolutions in respect of the Disposal Agreement. Mr. Choi, Mr. Ng who has provided the Option Undertaking, and their respective associates shall abstain from voting on all the resolutions approving the Share Sale Agreement and the Disposal Agreement and the Proposed Connected Transactions at the VC SGM.

A circular containing, among other things, (i) details of the Share Sale Agreement and the Disposal Agreement; (ii) details of the provision of Guarantees; (iii) the letter of recommendation from the VC Independent Board Committee; (iv) the letter of advice from the VC Independent Financial Adviser to the VC Independent Board Committee and the VC Independent Shareholders in respect of the Share Sale Agreement, the Disposal Agreement and the respective transactions contemplated thereunder; and (iv) a notice convening the VC SGM is expected to be despatched to the VC Shareholders on or not later than [*] April 2014.

VC Independent Board Committee

The VC Independent Board Committee, comprising all independent non-executive VC Directors, namely Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi, has been formed to advise the VC Independent Shareholders in respect of the Share Sale

Agreement, the Disposal Agreement, the Proposed Connected Transactions and the respective transactions contemplated thereunder.

{Halcyon Capital} has been appointed as the VC Independent financial ~~Financial~~ Adviser to advise the VC Independent Board Committee and the VC Independent Shareholders in respect of the Share Sale Agreement, the Disposal Agreement and the respective transactions contemplated thereunder. The appointment of ~~{Halcyon Capital}~~ as the VC Independent Financial Adviser has been approved by the VC Independent Board Committee.

Waiver of Rule 8.2 of the Takeovers Code

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Offer Document to the FGG Shareholders and the Optionholders within 21 days of the date of this joint announcement, or such later date as the Executive may approve. It is the intention of the respective boards of directors of the Offeror and FGG to combine the offer document and the offeree board circular in respect of the Offers into the Offer Document. The Offer Document setting out, inter alia, details of the Offers and incorporating the respective letters of advice from the FGG Independent Board Committee and the FGG Independent Financial Adviser in respect of the Offers will be despatched in accordance with the Takeovers Code. Given that the Share Sale Completion is subject to, inter alia, the passing of resolutions in relation to the Share Premium Cancellation, the Special Cash Dividend and the Special Deals by the FGG Independent Shareholders in the FGG SGM, it is expected that the Share Sale Completion will not take place within 21 days of the date of this joint announcement. As such, an application will be made to the Executive in respect of Note 2 to Rule 8.2 of the Takeovers Code for its consent to extend the date of posting of the composite offer and response document to the FGG Shareholders and the Optionholders to within seven days of Share Sale Completion.

Further announcement(s) regarding the despatch of the composite offer and response document will be made in due course. FGG Independent Shareholders and Optionholders are encouraged to read the Offer Document carefully, including the advice of the FGG Independent Financial Adviser to the FGG Independent Board Committee and the FGG Independent Shareholders, and the recommendation from the FGG Independent Board Committee to the FGG Independent Shareholders and in respect of the Offers, before deciding whether or not to accept the Offers.

JK. DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of FGG or the Offeror (including persons holding 5% or more of a class of relevant securities of FGG or the Offeror) are reminded to disclose their dealings in the securities of FGG pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

Responsibilities of stockbrokers, banks and other intermediaries

“Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code

and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant provisions of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any seven day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNING

The Offers are possible mandatory unconditional cash offers and will only be made if, among other things, Share Sale Completion takes place, which is conditional upon satisfaction of the conditions set out in the section headed “Conditions of the Share Sale Agreement” below which includes, but are not limited to, the completion of the Group Reorganisation, the completion of the Disposal and the payment of the Special Cash Dividend. Accordingly, Share Sale Completion may or may not take place and the Offers may or may not proceed. FGG Shareholders, the Optionholders and potential investors of FGG are advised to exercise caution in dealing in the FGG Shares.

KL. SUSPENSION AND RESUMPTION OF TRADING IN SHARES

At the request of FGG, trading in the FGG Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on [*] March 2014 pending the release of this joint announcement. Application has been made by FGG for resumption of trading in the FGG Shares on the Stock Exchange with effect from 9:00 a.m. on [*] February 2014.

At the request of VC, trading in the VC Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on [*] March 2014 pending the release of this joint announcement. Application has been made by VC for resumption of trading in the VC Shares on the Stock Exchange with effect from 9:00 a.m. on [*] March 2014.

DEFINITIONS

In this joint announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“ANZ”	<u>Australia and New Zealand Banking Group Limited</u>
“ANZ Facilities”	<u>the facilities of up to HK\$50 million offered by ANZ to FG International on 11 September 2011</u>
“ANZ-FGG Guarantee”	<u>the guarantee and indemnity given by FGG for HK\$50 million and an amount equal to the aggregate of all</u>
“associate”	

<u>“ANZ-VC Guarantee”</u>	<u>interest, costs and expenses accrued thereon in favour of ANZ to secure for the ANZ Facilities dated 20 October 2011</u> has the meaning ascribed thereto in the Takeovers Code and the Listing Rules (as appropriate) <u>the guarantee and indemnity to be given by [VC] for [HK\$50 million and an amount equal to the aggregate of all interest, costs and expenses accrued thereon] in favour of ANZ to secure for the ANZ Facilities</u>
<u>“associate”</u>	<u>has the meaning ascribed thereto in the Takeovers Code and the Listing Rules (as appropriate)</u>
<u>“Best Keen”</u>	Best Keen International Limited, a company incorporated in the BVI with limited liability and wholly-owned subsidiary of FGG as at the date of this joint announcement
<u>“Business Day”</u>	any day (other than Saturday or Sunday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for general banking business
<u>“BVI”</u>	the British Virgin Islands
<u>“CITIC”</u>	<u>China CITIC Bank International Limited or China CITIC Bank International Limited Macau Branch</u>
<u>“CITIC Facilities”</u>	<u>CITIC-FGI Facilities and CITIC-VP Facilities</u>
<u>“CITIC-FGG-FGI Guarantee”</u> “Companies Ordinance”	<u>the guarantee and indemnity given by FGG for HK\$130 million in favour of CITIC to secure the CITIC-FGI Facilities on 18 February 2013</u> the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
<u>“CITIC-FGG-VP Guarantee”</u>	<u>the guarantee and indemnity given by FGG for HK\$20 million in favour of CITIC to secure the CITIC-VP Facilities on 14 February 2012</u>
<u>“CITIC-FGI Facilities”</u> <u>“Disposal”</u>	<u>the facilities of up to HK\$50 million offered by CITIC to FG International on 10 December 2013</u> the sale of the Disposal Shares by FGG to Sure Strategy pursuant to the Disposal Agreement
<u>“CITIC Guarantees”</u> <u>“Disposal Agreement”</u>	<u>CITIC-VC-FGI Guarantee and CITIC-VC-VP Guarantee</u> the conditional agreement dated [*] March 2014 entered into between FGG and Sure Strategy in relation to the sale and purchase of the Disposal Shares

<u>“CITIC-VC-FGI Guarantee”</u> <u>“Disposal Group”</u>	<u>the guarantee and indemnity to be given by [VC] for [HK\$130 million] in favour of CITIC to secure the CITIC-FGI Facilities</u> <u>FG Holdings and its subsidiaries, but excluding Top Value</u>
<u>“CITIC-VC-VP Guarantee”</u> <u>“Disposal Group Entities”</u>	<u>the guarantee and indemnity to be given by [VC] for [HK\$20 million] in favour of CITIC to secure the CITIC-VP Facilities</u> <u>the entities of the FGG Group except for the Remaining Group Entities</u>
<u>“CITIC-VP Facilities”</u>	<u>the facilities of up to HK\$20 million offered by CITIC to Value Plus on 18 January 2012 (as supplemented on 11 January 2013)</u>
<u>“Companies Ordinance”</u>	<u>the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)</u>
<u>“DBS”</u>	<u>DBS Bank (Hong Kong) Limited or DBS (Hong Kong) Limited, Macau Branch (as the case may be)</u>
<u>“DBS Facilities”</u>	<u>DBS-FGI Facilities and DBS-VP Facilities</u>
<u>“DBS-FGG-FGI Guarantee”</u> <u>“Disposal Shares”</u>	<u>the guarantee and indemnity given by FGG for an unlimited amount in favour of DBS to secure the DBS-FGI Facilities on [31 May 2011]</u> <u>the entire issued share capital of FG Holdings</u>
<u>“DBS-FGG-VP Guarantees”</u> <u>“Excluded Share Option(s)”</u>	<u>the guarantee and indemnity given by each of FGG and FG International for HK\$55 million in favour of DBS to secure the DBS-VP Facilities on 24 May 2012</u> <u>the [2,261,740] Share Options with exercise price of HK\$[0.600] per FGG Share held by Mr. Ng, which will be exercised [prior to [2]] [PH to fill in]</u>
<u>“DBS-FGI Facilities”</u>	<u>the facilities of up to HK\$[75] million offered by DBS to FG International on 21 February 2012</u>
<u>“DBS-VC-FGI Guarantee”</u> <u>“Executive”</u>	<u>the guarantee and indemnity to be given by [VC] for [an unlimited amount] in favour of DBS to secure the DBS-FGI Facilities in place of DBS-FGG-FGI Guarantee</u> <u>the Executive Director of the Corporate Finance Division of the SFC or any of his delegates</u>
<u>“DBS-VC-VP Guarantees”</u>	<u>the guarantee and indemnity to be given by each of [VC] and [VCCL] for [HK\$55 million] in favour of DBS to secure the DBS-VP Facilities in place of DBS-FGG-VP Guarantees</u>
<u>“DBS-VP Facilities”</u>	<u>the facilities of up to HK\$[50] million offered by DBS to Value Plus on 7 March 2012</u>

<u>“DBS Guarantees”</u>	<u>DBS-FGG-FGI Guarantee, DBS-VC-FGI Guarantee, DBS-FGG-VP Guarantee and DBS- VC-VP Guarantee</u>
<u>“Disposal”</u>	<u>the sale of the Disposal Shares by FGG to Sure Strategy pursuant to the Disposal Agreement</u>
<u>“Disposal Agreement”</u>	<u>the conditional agreement dated [*] March 2014 entered into between FGG and Sure Strategy in relation to the sale and purchase of the Disposal Shares</u>
<u>“Disposal Group”</u>	<u>FG Holdings and its subsidiaries, but excluding Top Value</u>
<u>“Disposal Group Entities”</u>	<u>the entities of the FGG Group except for the Remaining Group Entities</u>
<u>“Disposal Shares”</u>	<u>the entire issued share capital of FG Holdings</u>
<u>“Excluded Share Option(s)”</u>	<u>the [2,261,740] Share Options with exercise price of HK\$[0.600] per FGG Share held by Mr. Ng, which will be exercised prior to [2014] [PH to fill in]</u>
<u>“Executive”</u>	<u>the Executive Director of the Corporate Finance Division of the SFC or any of his delegates</u>
<u>“Facilities”</u>	<u>the DBS Facilities, the Hang Seng Facilities the HSBC Facilities, the CITIC Facilities, the Wing Hang Facilities, the ANZ Facilities, the Mizhuo Facilities</u>
<u>“FGG”</u>	Ford Glory Group Holdings Limited (stock code: 1682), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
<u>“FGG Board”</u>	the board of FGG Directors
<u>“FGG Director(s)”</u>	director(s) of FGG from time to time
<u>“FGG Group”</u>	FGG and its subsidiaries
<u>“FG Holdings”</u>	Ford Glory Holdings Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of FGG as at the date of this joint announcement
<u>“FG International”</u>	Ford Glory International Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of FG Holdings as at the date of this joint announcement

“FGG Independent Board Committee”	the independent board committee of the FGG Board, comprising all independent non-executive FGG Directors, formed to advise the FGG Independent Shareholders in respect of the Offers, the Disposal and the Special Deals and the respective transactions contemplated thereunder
“FGG Independent Financial Adviser or {Shenyin Wanguo}”	{Shenyin Wanguo Capital (H.K.) Limited}, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“FGG Independent Shareholders”	FGG Shareholders, other than the Offeror, Sure Strategy, VC, Mr. Choi, Mr. Chen, Mr. Li, Mr. Ng, and their respective associates and parties acting in concert with it
“FGG SGM”	special general meeting of FGG to be convened to seek the approval of the FGG Shareholders in respect of, amongst others, the Share Premium Cancellation, the Special Cash Dividend and the Proposed Change of Name, and the approval of the FGG Independent Shareholders in respect of the Special Deals and the transactions contemplated thereunder
“FGG Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of FGG
“FGG Shareholder(s)”	holder(s) of FGG Share(s)
“Garment Sourcing Business”	the comprehensive range of sourcing management services and expertise, including product design and product development, sampling, product offering, sourcing, outsourcing, logistics and delivery and overseas sales capabilities, currently carried out by FG International and Top Value
“Group Reorganisation”	the proposed reorganisation of the FGG Group, details of which are set out in the section headed “Group Reorganisation” in this joint announcement
“ <u>Guarantees</u> ”	<u>the DBS Guarantees, the Hang Seng Guarantees, the HSBC Guarantees, the CITIC Guarantees, the Wing Hang Guarantee, the ANZ Guarantee, the Mizhuo Guarantee</u>
“ <u>Hang Seng</u> ”	<u>Hang Seng Bank Limited or Hang Seng Bank Limited, Macau Branch (as the case may be)</u>

<u>“Hang Seng Facilities”</u>	<u>HS-FGI Facilities and HS-VP Facilities</u>
<u>“HK\$”</u>	<u>Hong Kong dollars, the lawful currency of Hong Kong</u>
<u>“Hang Seng Guarantees”</u>	<u>HS-VC-FGI Guarantee and HS-VC-VP Guarantee</u>
<u>“HK\$”</u>	<u>Hong Kong dollars, the lawful currency of Hong Kong</u>
<u>“HK Garment Sourcing Business”</u>	<u>the comprehensive range of sourcing management services and expertise, including product design and product development, sampling, product offering, sourcing, outsourcing, logistics and delivery and overseas sales capabilities, currently carried out by FG International in Hong Kong</u>
<u>“HK Lease Agreement”</u>	<u>the lease agreement to be entered into between FG International and United Gainer for the leasing of the Office Premises</u>
<u>“Hong Kong”</u>	<u>the Hong Kong Special Administrative Region of the PRC</u>
<u>“HK Garment Sourcing Business”</u>	<u>the comprehensive range of sourcing management services and expertise, including product design and product development, sampling, product offering, sourcing, outsourcing, logistics and delivery and overseas sales capabilities, currently carried out by FG International in Hong Kong</u>
<u>“HS-FGG-FGI Guarantee”</u>	<u>the guarantee given by FGG for HK\$ 127 million in favour of Hang Seng to secure the HS-FGI Facilities on [21 February 2012]</u>
<u>“HS-FGG-VP Guarantee”</u>	<u>the deed of guarantee given by FGG for an unlimited amount in favour of Hang Seng to secure the HS-VP Facilities on [30 May 2012]</u>
<u>“HS-FGI Facilities”</u> <u>“Included Share Option(s)”</u>	<u>the facilities of up to HK\$198 million offered by Hang Seng to FG International on 8 January 2014</u> <u>the [67,253,260] Share Options, of which [29,788,260] and [37,465,000] at the exercise price of HK\$0.60 and HK\$0.844 respectively, arrived from [69,515,000] outstanding Share Options as at the date of this joint announcement less the [2,261,740] Excluded Share Options</u>
<u>“HS-VC-FGI Guarantee”</u>	<u>the guarantee to be given by [VC] for [HK\$ 127 million] in favour of Hang Seng to secure the HS-FGI Facilities in place of HS-FGG-FGI Guarantee</u>
<u>“HS-VP Facilities”</u> <u>“Kingston CF”</u>	<u>the facilities of up to HK\$40 million offered by Hang Seng to Value PLUS on 8 January 2014</u> <u>Kingston Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate</u>

<u>“HS-VC-VP Guarantee”</u>	<p>finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the financial adviser to the Offeror in respect of the Offers</p> <p><u>the deed of guarantee to be given by [VC] for [an unlimited amount] in favour of Hang Seng to secure the HS-VP Facilities in place of HS-FGG-VP Guarantee</u></p>
<u>“HSBC”“Kingston Securities”</u>	<p><u>The Hongkong and Shanghai Banking Corporation Limited</u></p> <p>Kingston Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)</p>
<u>“HSBC Facilities”</u>	<u>HSBC-FGI-MT Facilities and HSBC-VP Facilities</u>
<u>“HSBC-FGG-FGI-MT Guarantees”</u> <u>“Last Trading Day”</u>	<p><u>the guarantees given by FGG and FG International for an aggregate of HK\$60 million in favour of HSBC to secure the HSBC-FGI-MT Facilities on [13 May 2011] and [6 May 2013]</u></p> <p>[*] March 2014, being the last full trading day immediately prior to suspension of trading in the FGG Shares pending the release of this joint announcement</p>
<u>“HSBC-FGG-VP Guarantees”</u>	<p><u>the guarantee given by FGG for HK\$65 million in favour of HSBC to secure the HSBC-VP Facilities on [6 August 2012]</u></p>
<u>“HSBC-FGI-MT Facilities”</u> <u>“Listing Rules”</u>	<p><u>the facilities with a combine limit of up to HK\$70 million available to FG International and Major Time; and a combined limit of HK\$45 million available only to Major Time, offered by HSBC to Major Time on 4 September 2013</u></p> <p>the Rules Governing the Listing of Securities on the Stock Exchange</p>
<u>“HSBC Guarantees”</u> <u>“Long Stop Date”</u>	<p><u>HSBC-VC-FGI-MT Guarantees and HSBC-VC-VP Guarantees</u></p> <p>[30 June] 2014, (or such other date as the Offeror and the Vendors may agree in writing)</p>
<u>“HSBC-VC-FGI-MT Guarantees”</u>	<p><u>the guarantees to be given by [VC] and [VCCL] for [an aggregate of HK\$60 million] in favour of HSBC to secure the HSBC-FGI-MT Facilities</u></p>
<u>“HSBC-VC-VP Guarantees”</u> <u>“Manufacturing Business”</u>	<p><u>the guarantee to be given by [VC] for [HK\$65 million] in favour of HSBC to secure the HSBC-VP Facilities</u>the principal business to be carried by the Disposal Group upon completion of the Group Reorganisation and the Disposal, which mainly comprises of the manufacturing of and sales of garment products</p>
<u>“HSBC-VP Facilities”</u>	<u>the facilities of up to HK\$50 million import facilities</u>

	<u>and HK\$2 million clean cheque purchase lines offered by HSBC to Value Plus on 5 August 2013</u>
<u>“Included Share Option(s)”</u>	<u>the [67,253,260] Share Options, of which [29,788,260] and [37,465,000] at the exercise price of HK\$0.60 and HK\$0.844 respectively, arrived from [69,515,000] outstanding Share Options as at the date of this joint announcement less the [2,261,740] Excluded Share Options</u>
<u>“Kingston CF”</u>	<u>Kingston Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the financial adviser to the Offeror in respect of the Offers</u>
<u>“Kingston Securities”</u>	<u>Kingston Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)</u>
<u>“Last Trading Date”</u>	<u>[*] March 2014, being the last full trading day immediately prior to suspension of trading in the FGG Shares pending the release of this joint announcement</u>
<u>Lenders”</u>	<u>DBS, Hang Seng, HSBC, CITIC, Wing Hang, ANZ and Mizhuo</u>
<u>“Listing Rules”</u>	<u>the Rules Governing the Listing of Securities on the Stock Exchange</u>
<u>“Long Stop Date”</u>	<u>[30 June] 2014, (or such other date as the Offeror and the Vendors may agree in writing)</u>
<u>“Major Time”</u>	<u>Major Time Limited, a company incorporated in Macau and a non-wholly owned subsidiary of VC</u>
<u>“Manufacturing Business”</u>	<u>the principal business to be carried by the Disposal Group upon completion of the Group Reorganisation and the Disposal, which mainly comprises of the manufacturing of and sales of garment products</u>
<u>“Merlotte Enterprise”</u>	<u>Merlotte Enterprise Limited, a company incorporated in BVI with limited liability and wholly-owned by Mr. Choi as at the date of this joint announcement</u>
<u>“Mizhuo”</u>	<u>Mizhuo Corporate Bank, Ltd., Hong Kong Branch</u>
<u>“Mizhuo Facilities”</u>	<u>the facilities of up to HK\$50 million offered by Mizhuo</u>

	<u>to FG International on 17 September 2012</u>
<u>“Mizhuo-FGG Guarantee”</u> <u>“MOU”</u>	<u>the guarantee and indemnity given by FGG for HK\$50 million and an amount equal to the aggregate of all interest, costs and expenses accrued thereon in favour of Mizhuo to secure for the Mizhuo Facilities dated 28 February 2011</u> the non-legally binding memorandum of understanding entered into between Sure Strategy and the Offeror on 18 December 2013
<u>“Mizhuo-VC Guarantees”</u>	<u>the guarantee and indemnity to be given by [VC] for [HK\$50 million and an amount equal to the aggregate of all interest, costs and expenses accrued thereon] in favour of Mizhuo to secure for the Mizhuo Facilities</u>
<u>“MOU”</u>	the non-legally binding memorandum of understanding entered into between Sure Strategy and the Offeror on 18 December 2013
<u>“Mr. Chen”</u>	Mr. Chen Tien Tui, the chief executive officer of VC, an executive VC Director, a non-executive FGG Director, and a beneficial owner of [3,821,080] FGG Shares <u>as</u> at the date of this joint announcement
<u>“Mr. Choi”</u>	Mr. Choi Lin Hung, the chairman of FGG, an executive FGG Director, an executive VC Director, and a beneficial owner of the entire issued share capital of Merlotte Enterprise and 49% interest in Sure Strategy as at the date of this joint announcement
<u>“Mr. Li”</u>	Mr. Li Ming Hung, the chairman of VC, an executive VC Director, a non-executive FGG Director, and a beneficial owner of [3,789,440] FGG Shares as at the date of this joint announcement
<u>“Mr. Ng”</u>	Mr. Ng Tsze Lun, an employee of FGG Group and a beneficial owner of Share Options conferring the right to subscribe for [58,000,000] Share Options as at the date of this joint announcement
<u>“Offeror” or “Unitech Enterprises”</u>	Unitech Enterprises Group Limited, a company incorporated in the BVI with limited liability
<u>“Offer Document”</u>	the offer and response document (in either composite or separate form) together with (i) the form of acceptance and transfer and (ii) the form of acceptance of cancellation to be despatched to the FGG Shareholders pursuant to the Offers
<u>“Offer Shares”</u>	[130,262,000] FGG Shares that are subject to the Share Offer and “Offer Share” means any of them

“Offers”	the Share Offer and the Option Offer
“Office Premises”	the office premises of the Remaining Group, which is a portion of the property located at 19/F., Ford Glory Plaza, 37-39 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong with a total gross floor area of approximately [3,900] square feet
“Optionholder(s)”	holder(s) of the Share Options
“Option Offer”	the possible mandatory <u>unconditional</u> cash offer to be made by Kingston <u>Securities</u> on behalf of the Offeror for the cancellation of all outstanding Share Options in accordance with the Takeovers Code
“Option Offer Price(s)”	the respective offer prices for cancellation of each outstanding Share Option as stated under the paragraph headed “The Option Offer” in the section headed “G. Possible <u>Mandatory Unconditional Cash Offers</u> and to cancel the Share Options” in this joint announcement
“Option Share(s)”	69,515,000 new FGG Shares to be issued upon exercise of the outstanding Share Options
“Option Undertaking”	the irrevocable undertaking given by Mr. Ng on [*] March 2014 to (i) exercise no less than [2,261,740] Share Options into FGG Shares; and (ii) accept the Share Offer or any other offer and/or proposal to be made by the Offeror in respect of his <u>such</u> number of <u>his</u> FGG Shares.
“Overseas FGG Shareholder(s)”	Shareholder(s) whose registered addresses, as shown on the register of members of FGG, are outside Hong Kong
“PRC”	the People’s Republic of China (for the purpose of this joint announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“Proposed Change of Name”	the proposal by the FGG Board to change the English name of FGG from “Ford Glory Group Holdings Limited” to “[*] Limited” and the Chinese name of FGG from “福源集團控股有限公司” to “[*]”
<u>“Proposed Connected Transactions”</u>	<u>the proposed provision of financial assistance by VC and VCCL (as the case ma be) to FG International, Value Plus and Major Time under the Guarantees</u>

“Qualifying FGG Shareholders”	FGG Shareholder(s) whose name(s) appear(s) on the register of members of FGG at the close of business on the Record Date
“Preliminary Announcement”	the joint announcement issued by FGG and VC dated 24 July 2013 pursuant to Rule 3.2 and Rule 3.7 of the Takeovers Code and Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO
“Record Date”	the record date to determine entitlements of the FGG Shareholders to the Special Cash Dividend, which will be determined and announced by FGG
“Remaining Group”	the FGG Group excluding the Disposal Group
“Remaining Group Entities”	FGG, Best Keen, United Gainer and Top Value
“Retained Employees”	being Ms. Cheng Sylvia, Ms. Ching Chor Bik and Mr. Yick Chong San, all of which are employees of FGG <u>Group</u> as at the date of this joint announcement
“Retained Employees Arrangement”	the appointment of the Retained Employees by the Remaining Group for a period of not less than [one year] from date of Share Sale Completion
“Sale Shares”	[320,000,000] FGG Shares to be acquired by the Offeror from the Vendors pursuant to the Share Sale Agreement, which represents approximately [71.07]% of the entire issued share capital of FGG as at the date of the Share Sale Agreement, and “Sale Share” means any of them
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Consideration”	the consideration for the Disposal Share pursuant to the Disposal Agreement
“Share Offer”	the possible mandatory unconditional cash offer to be made by Kingston Securities on behalf of the Offeror, to acquire all the issued FGG Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it) and in accordance with the Takeovers Code
“Share Offer Price”	the price at which the Share Offer will be made, being HK\$[0.808] per FGG Share

“Share Option(s)”	option(s) granted under the share option scheme of FGG adopted by the shareholder of FGG on 2 June 2010
“Share Premium Cancellation”	the proposed cancellation of the entire amount standing to the credit of the share premium account of FGG
“Share Sale”	acquisition of the Sale Shares by the Offeror from the Vendors in accordance with the terms and conditions of the Share Sale Agreement
“Share Sale Agreement”	the conditional agreement dated [*] March 2014 entered into between the Offeror and the Vendors in relation to the sale and purchase of the Sale Shares
“Share Sale Completion”	completion of the Share Sale Agreement in accordance with the terms and conditions thereof
“Share Sale Completion Date”	the [fifth] Business Day after all the conditions precedent to the Share Sale Agreement have been fulfilled or effectively waived or such other later date as the Offeror and the Vendors may agree in writing
“Special Cash Dividend”	subject to, among other things, and following completion of the Disposal, the proposed cash dividend of not less than HK\$[*] by FGG to be declared and distributed to the Qualifying FGG Shareholders on a pro rata basis
“Special Deals”	collectively, the Disposal Agreement, HK Lease Agreement and the Retained Employees Arrangement, which will constitute special deals for FGG under Rule 25 of the Takeovers Code
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sure Strategy”	Sure Strategy Limited, a company incorporated in BVI with limited liability and beneficially owned as to 51% by Victory City Investments and 49% by Mr. Choi Merlotte Enterprise as at the date of this joint announcement
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Top Value”	Top Value Inc., a company incorporated in the U.S. with limited liability and a wholly-owned subsidiary of FG International Holdings as at the date of this joint announcement
“U.S.”	United States of America

“United Gainer”	United Gainer Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of FGG as at the date of this joint announcement
“ <u>Value Plus</u> ”	<u>Value Plus (Macao Commercial Offshore Limited), a company incorporated in Macau and a non-wholly owned subsidiary of VC</u>
“VC”	Victory City International Holdings Limited (stock code: 539), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“ <u>VCCL</u> ”	<u>Victory City Company Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of VC</u>
“VC Board”	the board of VC Directors
“VC Director(s)”	director(s) of VC from time to time
“VC Group”	VC and its subsidiaries
“VC Independent Board Committee”	the independent board committee of the VC Board, comprising all independent non-executive VC Directors, formed to advise the VC Independent Shareholders in respect of the Share Sale and the Disposal
“VC Independent Financial Adviser or [Halcyon Capital]”	[Halcyon Capital Limited], a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“VC Independent Shareholders”	VC Shareholders, other than Mr. Choi
“VC SGM”	a special general meeting of VC to be convened to seek the approval of the VC Independent Shareholders in respect of the Disposal and the transactions contemplated thereunder
“VC Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of VC
“VC Shareholder(s)”	holder(s) of VC Share(s)

“Vendors”	Sure Strategy, Merlotte Enterprise and Victory City Investments, being the vendors of the Share Sales pursuant to the Share Sale Agreement
“Victory City Investments”	Victory City Investments Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of VC as at the date of this joint announcement
“ <u>WH-FGG Guarantee</u> ”	<u>the guarantee given by FGG in favour of Wing Hang for all monies obligations and liabilities (actual or contingent) owed by FG International to secure the Wing Hang Facilities on 19 November 2010</u>
“ <u>WH-VC Guarantee</u> ”	<u>the guarantee to be given by [VC] in favour of Wing Hang for [all monies obligations and liabilities (actual or contingent) owed by FG International] to secure the Wing Hang Facilities</u>
“ <u>Wing Hang</u> ”	<u>Wing Hang Bank Limited</u>
“ <u>Wing Hang Facilities</u> ”	<u>the facilities of up to HK\$25 million offered by Wing Hang to FG International on 25 March 2013</u>

By order of the board of
**Unitech Enterprises
Group Limited**
[*]
Director

By order of the board of
**Ford Glory Group Holdings
Limited**
Choi Lin Hung
Chairman and Executive
Director

By order of the board of
**Victory City International
Holdings Limited**
Li Ming Hung
Chairman and Executive
Director

Hong Kong, [*] March 2014

The directors of the Offeror accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the FGG Group and the VC Group, and confirm that, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

The FGG Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Offeror and the VC Group, and confirm that, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

The VC Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Offeror and the FGG Group, and confirm that, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are [Mr. Gao Zhiyin and Mr. Gao Zhiping].

As at the date of this joint announcement, the FGG Board comprises Mr. Choi Lin Hung, Mr. Lau Kwok Wa, Stanley and Mr. Ng Tze On as executive FGG Directors; Mr. Chen Tien Tui and Mr. Li Ming Hung as non-executive FGG Directors; and Mr. Lau Chi Kit, Mr. Mak Chi Yan, Mr. Wong Wai Kit, Louis and Mr. Yuen Kin Kei as independent non-executive FGG Directors.

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As at the date of this joint announcement, the VC Board comprises Mr. Li Ming Hung, Mr. Chen Tien Tui, Mr. Lee Yuen Chiu Andy and Mr. Choi Lin Hung as executive VC Directors; and Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi as independent non-executive VC Directors.