



ERATAT LIFESTYLE LIMITED
(Company Registration No: 200705552D)

**APPLICATION FOR THE LISTING AND QUOTATION OF 81,900,000 ORDINARY SHARES
(THE "SUBSCRIPTION SHARES") IN THE CAPITAL OF THE COMPANY**

Unless otherwise otherwise defined, all capitalised terms shall bear the same meanings as used in the Company's announcement dated 26 January 2011

Further to our announcement on 26 January 2011 (the "**Announcement**") in relation to the placement of the Subscription Shares (the "**Proposed Subscription**"), the board of directors of the Company (the "**Board**") wishes to announce that Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has today indicated that it is unable to agree to the Company's application for the listing and quotation of 81,900,000 Subscription Shares (the "**SGX-ST Decision**").

Rule 811 of the listing manual of the SGX-ST (the "**Listing Manual**") provides, *inter alia*, that an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed.

The SGX-ST, in the SGX-ST Decision, has indicated that it considers the Proposed Subscription to be not in compliance with Rule 811(1) of the Listing Manual, as the discount of the issuance of the New Shares will exceed the maximum 10% discount allowed under Rule 811(1) after taking into account the value of the Subscription Options and the portion of the Placement Agent's Fee to be paid to Khoo Boo Kok.

Paragraph 2.6(b) of the Announcement states, *inter alia*, that the Proposed Subscription shall be conditional upon the Company obtaining approval in-principle for the listing and quotation of the New Shares and the Additional New Shares on the Official List of the SGX-ST and such approval not having been revoked. In view of the SGX-ST Decision, the abovementioned condition is accordingly, not fulfilled.

Pursuant to the SGX-ST Decision, and the non-fulfillment of the condition set out in Paragraph 2.6(b) of the Announcement, the Board wishes to announce that the Proposed Subscription will not be undertaken. The Board has not made a final decision on whether or not a similar placement or subscription exercise will be undertaken at a later date.

BY ORDER OF THE BOARD

Lin Jiancheng
Executive Chairman and CEO
9 February 2011