GUOCANG GROUP LIMITED
國藏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 559)

EXTENSION OF EXPIRY DATE OF THE EXCLUSIVITY PERIOD IN RESPECT OF THE POSSIBLE SUBSCRIPTION OF CONVERTIBLE BONDS TO BE ISSUED BY THE TARGET

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Reference is made to the announcement of the Company dated 5 September 2014 in relation to the Possible Subscription (the "**Announcement**"). Unless otherwise stated, capitalized terms used herein shall have the same meanings as ascribed thereto in the Announcement.

Pursuant to the Memorandum of Understanding, (i) the Target and the Subscriber shall negotiate in good faith towards one another in ensuring that the legally-binding Formal Subscription Agreement be entered into during the Exclusivity Period; and (ii) the Target will not, and will procure its directors, officers, employees, representatives and agents will not, directly or indirectly, during the Exclusivity Period, negotiate with any party (other than the Subscriber or its nominees and agents) for the Possible Subscription.

As additional time is required for the Target and the Subscriber to negotiate for the Formal Subscription Agreement, the Target and the Subscriber have mutually agreed in writing to extend the expiry date of the Exclusivity Period from 4 December 2014 to 4 March 2015 (or such later date as the Target and the Subscriber may mutually agree in writing). Save as disclosed above, all other terms and conditions of the Memorandum of Understanding remain unchanged and in full force and effect in all respects.

The Board wishes to emphasise that no binding agreement in relation to the Possible Subscription has been entered into as at the date of this announcement. As such, the Possible Subscription may or may not proceed. If the Possible Subscription materialises, it may constitute a notifiable transaction of the Company pursuant to the Listing Rules.

Shareholders and the potential investors of the Company are urged to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Subscription will be made by the Company as and when appropriate.

By order of the Board
Guocang Group Limited
Wong Hin Shek
Chairman and Executive Director

Hong Kong, 4 December 2014

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek and Mr. Chi Chi Hung Kenneth; and the independent non-executive Directors are Mr. Chiu Wai On, Mr. Man Kwok Leung and Dr. Wong Yun Kuen.