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品牌中国
BRANDING CHINA

BRANDING CHINA GROUP LIMITED

品牌中國集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8219)

**FURTHER ANNOUNCEMENT ON THE MAJOR TRANSACTION
RESIGNATION OF NON-EXECUTIVE DIRECTOR
RESUMPTION OF TRADING**

Reference is made to the announcement of Branding China Group Limited (the “Company”) dated 19 April 2013 concerning a major transaction in relation to the proposed Acquisition and issue and allotment of the Consideration Shares (the “Announcement”) and the trading halt announcement of the Company dated 22 April 2013 pending the release of an inside information.

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the purpose of disclosing the steps taken by the Company to ensure that the minimum percentage of the Shares in public hands as required under the GEM Listing Rules will be maintained before and after the issue and allotment of the Consideration Shares upon Completion and fulfillment of conditions precedent on the issue and allotment of the Consideration Shares. Unless otherwise defined, capitalized terms used in this announcement have the same meanings as defined in the Announcement.

STEPS TAKEN TO MAINTAIN PUBLIC FLOAT AND RESIGNATION OF NON-EXECUTIVE DIRECTOR

In order to ensure that the shareholding percentage held by public (as defined under the GEM Listing Rules) (the “Public Float”) in the Company will be no less than the prescribed percentage under the GEM Listing Rules upon the issue and allotment of the Consideration Shares, on 22 April 2013, after deliberations amongst members of the Board, Mr. Lin Kaiwen (“Mr. Lin”), a non-executive Director and a connected person (as defined under the GEM Listing Rules) of the Company, has decided to tender, and the Board has accepted, his resignation as a non-executive Director with effect from 22 April 2013 (the “Resignation”). As a result, the Shares held by Mr. Lin through Jolly Win Management Limited shall be regarded as held by public (as defined under the GEM Listing Rules), and hence the Public Float in the Company will be no less than the prescribed percentage under the GEM Listing Rules. In addition to ensuring that the Public Float is maintained at no less than 25% before and after the issue and allotment of the Consideration Shares, Mr. Lin tendered his Resignation as a non-executive Director to focus on his other personal and business pursuits.

Mr. Lin has confirmed that (i) he has no claim against the Company in respect of his Resignation; (ii) he has no disagreement with the Board; and (iii) there is no matter in relation to his Resignation that needs to be brought to the attention of the Stock Exchange and the Shareholders.

The Board would like to express its sincere gratitude to Mr. Lin for his contributions towards the Company during his tenure of office.

EFFECT ON THE SHAREHOLDING STRUCTURE

Assuming there is no change in the issued share capital of, and the shareholding in, the Company from the date of this announcement other than the proposed issue and allotment of the Consideration Shares pursuant to the Agreement, the shareholding structure of the Company (a) as at the date of this announcement and after the Resignation; and (b) immediately after issue and allotment of the Consideration Shares will be as follows:

| Name of the Shareholders | As at the date of this announcement and after the Resignation | | Immediately after issue and allotment of the Consideration Shares | |
|--|---|------------------|---|------------------|
| | Number of Shares | Approximate % | Number of Shares | Approximate % |
| Lapta International Limited (<i>Note 1</i>) | 112,500,000 | 56.25 | 112,500,000 | 45.58 |
| Whales Capital Holdings Limited (<i>Note 2</i>) | 19,500,000 | 9.75 | 19,500,000 | 7.90 |
| The Vendor | — | — | 46,810,194 | 18.97 |
| Public Shareholders (<i>Note 3</i>) | 68,000,000 | 34 | 68,000,000 | 27.55 |
| Total | <u>200,000,000</u> | <u>100</u> | <u>246,810,194</u> | <u>100</u> |

Notes:

1. Lapta International Limited is directly wholly owned by Mr. Fang Bin, an executive Director.
2. Whales Capital Holdings Limited is indirectly wholly owned by Mr. Fan Youyuan, a non-executive Director.
3. Mr. Lin resigned as a non-executive Director of the Company with effect from 22 April 2013. Save as their interests in 18,000,000 Shares, Mr. Lin and Jolly Win Management Limited have no other relationship with the Company and its subsidiaries. Hence the Shares held by Jolly Win Management Limited are considered to be held by public (as defined under the GEM Listing Rules) after the Resignation.

RESUMPTION OF TRADING

At the request of the Company, trading of Shares on GEM was halted with effect from 9:00 a.m. on 22 April 2013 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on GEM with effect from 9:00 a.m. on 23 April 2013.

By Order of the Board
Branding China Group Limited
Fang Bin
Chairman

China, 22 April 2013

As at the date of this announcement, the executive Directors are Mr. Fang Bin, Ms. He Weiqi and Mr. Song Yijun; the non-executive Director is Mr. Fan Youyuan; and the independent non-executive Directors are Mr. Zhou Ruijin, Mr. Lin Zhiming and Ms. Hsu Wai Man, Helen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of GEM website at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.brandingchinagroup.com.