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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: 0863)

AMENDMENT TO SHARE AWARD PLAN

PROPOSED ISSUE OF NEW SHARES PURSUANT TO THE SHARE AWARD PLAN AND GRANT OF AWARDS

Amendment to the Plan

On 7 September 2018, the Board resolved to amend the Plan to allow the Plan limit of 5% of the issued share capital of the Company to be refreshed by the Board from time to time subject to the approval of the Independent Shareholders in general meeting.

Proposed issue of New Shares pursuant to the Plan and grant of Awards

The Board is pleased to announce that, on 7 September 2018, it resolved to allot and issue, credited as fully paid at par, 9,836,474 new Shares to the Trustee pursuant to the General Mandate in order to satisfy the Awards to be granted to the Selected Participants pursuant to the Plan Rules as incentives for the Selected Participants' contribution to the Group.

The Board shall apply HK\$98,364.74 in the share premium account of the Company to issue New Shares credited as fully paid to the Trustee. The Board further resolved to grant Awards for a total of 9,836,474 Shares to 159 Selected Participants pursuant to the Plan. None of these Selected Participants is a connected person of the Company.

The New Shares to be allotted and issued by the Company to the Trustee represent (i) approximately 3.9% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 3.8% of the total issued share capital of the Company as enlarged by such allotment and issue. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Trustee (or its nominee) and its parent company are third parties independent of the Company and its connected persons, and does not hold any Shares.

The Awards for a total of 9,836,474 Awarded Shares represent approximately 78.1% of the Plan limit of the Plan, and 2,752,079 Shares are available for grant of Awards in the future by the Board under the Plan, representing approximately 1.1% of the Shares in issue. Out of 9,836,474 Awarded Shares, 6,557,645 Awarded Shares will be vested on 3 September 2020. The remaining balance of 3,278,829 Awarded Shares will be vested on 3 September 2021.

Reference is made to the announcement of the Company dated 21 August 2018 in respect of the Plan.

Amendment to the Plan

On 7 September 2018, the Board resolved to amend the Plan to allow the Plan limit of 5% of the issued share capital of the Company to be refreshed by the Board from time to time subject to the approval of the Independent Shareholders in general meeting.

Proposed issue of New Shares pursuant to the Plan and grant of Awards

The Board is pleased to announce that, on 7 September 2018, it resolved to allot and issue, credited as fully paid at par, 9,836,474 new Shares to the Trustee under the General Mandate by way of making Group Contribution to the Plan in order to satisfy the Awards to be granted to the Selected Participants pursuant to the Plan Rules. The Board further resolved to grant Awards for a total of 9,836,474 Shares to 159 Selected Participants pursuant to the Plan. None of these Selected Participants is a connected person of the Company.

Pursuant to the General Mandate, the Company can allot and issue up to a total of 50,354,215 Shares. Accordingly, the New Shares will be allotted and issued by utilising part of the General Mandate. As at the date of this announcement, no new Share has been issued or allotted under the General Mandate. After completion of the issue and allotment of the New Shares, the remaining balance of the General Mandate will be reduced to 40,517,741 Shares.

Pursuant to the Plan Rules, the Board shall apply HK\$98,364.74, which is the total issue price of the Shares at par, in the share premium account of the Company to issue New Shares credited as fully paid to the Trustee. Upon allotment and issue of the New Shares, the Trustee will hold the New Shares in the Shares Pool of the Plan pending notification by the Company of Awards made to Selected Participants whereupon the Trustee will set aside from the Shares Pool and hold the Awarded Shares for transfer to the Selected Participants subject to satisfaction of the relevant vesting conditions and the Plan Rules. Accordingly, no fund will be raised from the issue of the New Shares.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Trustee (or its nominee) and its parent company are not connected person of the Company and are third parties independent of the Company and its connected persons.

The closing price of the Shares as at the date of this announcement was HK\$8.41. The New Shares to be allotted and issued by the Company to the Trustee represent (i) approximately 3.9% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 3.8% of the total issued share capital of the Company as enlarged by such allotment and issue.

The Awards for a total of 9,836,474 Awarded Shares represent approximately 78.1% of the Plan limit of the Plan, and 2,752,079 Shares are available for grant of Awards in the future by the Board under the Plan, representing approximately 1.1% of the Shares in issue. Out of 9,836,474 Awarded Shares, 6,557,645 Awarded Shares will be vested on 3 September 2020. The remaining balance of 3,278,829 Awarded Shares will be vested on 3 September 2021.

The New Shares, when issued and allotted, shall rank pari passu among themselves and with the fully paid Shares in issue upon allotment of the New Shares, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment. Pursuant to the Plan Rules, (i) the Selected Participants shall not be entitled to vote, receive dividends or have any other rights of a Shareholder in respect of the New Shares until vesting of the relevant Awards; and (ii) the Trustee shall not exercise any voting rights in respect of the Shares held by it.

Application will be made by the Company to the Stock Exchange for the approval of the listing of, and permission to deal in, the New Shares (“Listing Approval”). Other than the Listing Approval being granted by the Stock Exchange, the allotment and issue of the New Shares is not subject to any approval of the Shareholders.

There was no equity fund raising activity by the Group through the issue of equity securities in the 12 months immediately preceding this announcement.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Award”	a provisional award of Awarded Shares made in accordance with the Plan
“Awarded Shares”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award
“Board”	the board of Directors
“Company”	Branding China Group Limited (品牌中國集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules

“core connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Employee”	any employee of the Group (whether full-time or part-time, including any director and including any person who has entered into an employment contract, whether verbal or in writing, with any member of the Group before the grant of an Award provided that the commencement date of his tenure under the employment contract falls on a date before the vesting date and such employment continues up to and including the vesting date)
“Eligible Participant(s)”	(a) any Eligible Employee; (b) any director or officer of any member of the Group; or (c) any consultant or advisor of any member of the Group, who the Board considers, at its sole discretion, to have contributed or will contribute to the Group
“General Mandate”	the general mandate granted by the Shareholders at the annual general meeting of the Company held on 20 June 2018, under which up to a total of 50,354,215 Shares (being up to 20% of the total issued share capital of the Company as at the date of the passing of the relevant resolution, which was 20 June 2018) can be allotted, issued and dealt in by the Directors
“Group”	the Company and its subsidiaries
“Group Contribution”	such amount in the share premium account of the Company or such other reserves or funds allocated by the Board out of the Company’s resources for the subscription or purchase of Awarded Shares by the Trustee

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than core connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Shares”	the 9,836,474 new Shares that will be allotted and issued to the Trustee under the General Mandate for satisfying the Awards
“Plan”	the share award plan of the Company, which has become effective on 21 August 2018, as altered from time to time
“Plan Rules”	the rules relating to the Plan
“Selected Participant(s)”	any Eligible Participant to whom an Award has been provisionally made by the Board
“Shareholders”	holders of the Shares
“Shares”	shares of HK\$0.01 each in the share capital of the Company
“Shares Pool”	the pool of Shares held by the Trustee from time to time and from which Awards will be made
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Trustee”

Acheson Limited, being the trustee appointed by the Company for the administration of the Plan, which will hold the New Shares on trust for the Selected Participants

By order of the Board
Branding China Group Limited
Lo Ken Bon
Executive Director

Hong Kong, 7 September 2018

As at the date of this announcement, the executive Directors are Mr. Lo Ken Bon, Mr. Ko Chun Shun, Johnson, Mr. Fang Bin, Mr. Madden Hugh Douglas and Mr. Chapman David James, and the independent non-executive Directors are Mr. Chau Shing Yim, David, Mr. Chia Kee Loong, Lawrence and Mr. Tai Benedict.