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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: 863)**

**COMPLETION OF SUBSCRIPTION AGREEMENT B  
AND  
LAPSE OF THE OTHER SUBSCRIPTION AGREEMENTS**

The Board is pleased to announce that completion of Subscription Agreement B (as amended and supplemented by Supplemental Deed B) took place on 29 April 2016 and Subscription Shares B have been allotted and issued to Subscriber B pursuant to the General Mandate.

As it is expected that the Conditions under the Other Subscription Agreements will not be fulfilled on or before 30 April 2016, the Other Subscription Agreements are expected to lapse on 30 April 2016 and the subscription of new Shares contemplated thereunder will not be proceeded. However, the Company intends to continue negotiations with the Other Subscribers in respect of the subscription of Shares in the Company after the lapse of the Other Subscription Agreements.

Reference is made to the announcements (the “**Announcements**”) of Branding China Group Limited (the “**Company**”) dated 16 November 2015 and 29 February 2016 in relation to, among other things, the Subscription of 49,362,038 Subscription Shares by the Subscribers pursuant to the Subscription Agreements (as amended and supplemented by the supplemental deeds dated 29 February 2016 and entered into between the Company and the respective Subscribers (the “**Supplemental Deeds**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

**COMPLETION OF SUBSCRIPTION AGREEMENT B**

The Board is pleased to announce that completion of Subscription Agreement B (as amended and supplemented by the supplemental deed dated 29 February 2016 and entered into between the Company and Subscriber B (“**Supplemental Deed B**”)) took place on 29 April 2016 pursuant to the

terms of Subscription Agreement B (as amended and supplemented by Supplemental Deed B) and 4,960,885 Shares (“**Subscription Shares B**”) have been allotted and issued to Subscriber B pursuant to the General Mandate and in accordance with the terms and conditions of Subscription Agreement B (as amended and supplemented by Supplemental Deed B). Subscription Shares B represent approximately 2.01% of the entire issued share capital of the Company immediately before the issue and allotment of Subscription Shares B; and (ii) approximately 1.97% of the entire issued share capital of the Company as enlarged by the issue and allotment of Subscription Shares B.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Subscriber B is an Independent Third Party.

The net proceeds from the subscription contemplated under Subscription Agreement B will be HK\$12,005,341.70. The Company intends to use the net proceeds for new business development of the Group and as general working capital of the Group.

## CHANGE OF THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and immediately after the issue and allotment of Subscription Shares B is set out below:

| Shareholders                               | Immediately before issue and allotment of Subscription Shares B |               | Immediately after issue and allotment of Subscription Shares B |               |
|--|---|---------------|--|---------------|
|  | No. of Shares   | Approximate % | No. of Shares  | Approximate % |
| Lapta International Limited (Note 1)       | 112,500,000   | 45.58%        | 112,500,000  | 44.68%        |
| Always Bright Enterprises Limited (Note 2) | 46,810,194  | 18.97%        | 46,810,194   | 18.59%        |
| Whales Capital Holdings Limited (Note 3)   | 14,700,000  | 5.96%         | 14,700,000   | 5.84%         |
| <i>Public Shareholders:</i>                |   |               |  |               |
| Subscriber B (Note 4)                      | –   | –             | 4,960,885  | 1.97%         |
| Other public Shareholders                  | <u>72,800,000</u>   | <u>29.50%</u> | <u>72,800,000</u>  | <u>28.92%</u> |
| Total                                      | <u>246,810,194</u>  | <u>100%</u>   | <u>251,771,079</u>   | <u>100%</u>   |

Notes:

1. Lapta International Limited is wholly owned by Mr. Fang Bin, the chairman of the Board and an executive Director.
2. Always Bright Enterprises Limited is wholly owned by Mr. Huang Wei, an executive Director.

3. Whales Capital Holdings Limited is wholly owned by Taocent International Holding Limited, a company wholly owned by Mr. Fan Youyuan, an executive Director and the Chief Executive Officer of the Company.
4. Subscriber B became a public Shareholder upon completion of the subscription of Shares contemplated under Subscription Agreement B.

## **LAPSE OF THE OTHER SUBSCRIPTION AGREEMENTS**

Pursuant to the Subscription Agreements (as amended and supplemented by the Supplemental Deeds), completion of the Subscription is subject to the fulfillment of certain conditions (the “**Conditions**”) on or before 30 April 2016. As it is expected that the Conditions under Subscription Agreement A, Subscription Agreement C and Subscription Agreement D (as amended and supplemented by the respective Supplemental Deeds) (collectively, the “**Other Subscription Agreements**”) will not be fulfilled on or before 30 April 2016, the Board hereby announces that the Other Subscription Agreements are expected to lapse on 30 April 2016 and the subscription of new Shares contemplated thereunder will not be proceeded. However, the Company intends to continue negotiations with Subscriber A, Subscriber C and Subscriber D (collectively, the “**Other Subscribers**”) in respect of the subscription of Shares in the Company after the lapse of the Other Subscription Agreements.

The Board considers that the lapse of the Other Subscription Agreements does not have any material adverse impact on the business, operation and financial position of the Group.

By order of the Board  
**Branding China Group Limited**  
**Fang Bin**  
*Chairman*

Shanghai, the PRC, 29 April 2016

*As at the date of this announcement, the executive Directors are Mr. Fang Bin, Mr. Fan Youyuan, Mr. Patrick Zheng, Mr. Huang Wei and Mr. Song Yijun and the independent non-executive Directors are Mr. Zhou Ruijin, Mr. Lin Zhiming and Ms. Hsu Wai Man, Helen.*