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**BAOFENG MODERN INTERNATIONAL HOLDINGS COMPANY LIMITED**  
**寶峰時尚國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1121)**

**GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rule 17.06A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Baofeng Modern International Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that on 24 June 2016, the Board resolved to grant share options (the “**Options**”) to certain eligible participants (the “**Grantees**”) to subscribe for a total of 96,300,000 ordinary shares of US\$0.01 each in the share capital of the Company (each a “**Share**”) under the share option scheme adopted by the Company on 8 January 2011, subject to the acceptance of the Grantees and the payment of HK\$1.00 by each of the Grantees upon acceptance of the Options.

Details of the Options granted are set out below:

Date of Grant:	24 June 2016 (the “ <b>Date of Grant</b> ”)
Exercise price of Options granted:	HK\$0.67 per Share, which is higher than (i) the closing price of HK\$0.65 per Share as stated in the daily quotations sheet of the Stock Exchange on 24 June 2016, being the Date of Grant; (ii) the average closing price of HK\$0.666 per Share as stated in the daily quotations sheets of the Stock Exchange for the five trading days immediately preceding the Date of Grant; and (iii) the nominal value of the Share of US\$0.01
Total number of Options granted:	96,300,000 Options, each Option entitling the Grantee to subscribe for one Share.

Validity period of Options: The Options are valid for a period of five (5) years from the Date of Grant and subject to the exercise condition as set forth below, shall be vested in the following manner:

- (i) Options granted to Batch A Grantees (as defined below) shall be vested in two tranches. 60% of the Options will be vested on the Date of Grant, while the remaining 40% of the Options will be vested on the first anniversary of the Date of Grant; and
- (ii) Options granted to Batch B Grantees (as defined below) shall be vested in five tranches. 15% of the Options will be vested on the Date of Grant, 20% of the Options will be vested on the first anniversary of the Date of Grant, 25% of the Options will be vested on the second anniversary of the Date of Grant, 20% of the Options will be vested on the third anniversary of the Date of Grant, and the remaining 20% of the Options will be vested on the fourth anniversary of the Date of Grant.

“Batch A Grantees” refers to five management grade staff and three consultants of the Group. The total number of Options granted to Batch A Grantees is 84,000,000 Options.

“Batch B Grantees” refers to two consultants and one other staff of the Group. The total number of Options granted to Batch B Grantees is 12,300,000 Options.

Exercise condition: Provided always that a Grantee shall remain as an employee or a consultant of the Company or its subsidiaries, at the time of exercise of his or her Options.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Grantees is neither a Director, chief executive nor substantial shareholder of the Company nor an associate (as defined under the Listing Rules) of any of them.

By Order of the Board  
**Baofeng Modern International Holdings Company Limited**  
**Zheng Jingdong**  
*Chairman*

Hong Kong, 24 June 2016

*As at the date of this announcement, the executive Directors are Mr. Zheng Jingdong and Mr. Leung Tsz Chung; the non-executive Directors are Ms. Lin Weihuan and Mr. Chan Chak Chak Daniel; and the independent non-executive Directors are Ms. An Na, Mr. Chen Shaohua and Professor Zhao Jinbao.*