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**GLOBAL BRANDS
GROUP**

Global Brands Group Holding Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 787)

DISCLOSEABLE TRANSACTION

Acquisition of Assets relating to the BCBG Brands

The Board is pleased to announce that on 9 June 2017 (New York time), the Company entered into the Asset Purchase Agreement with the Sellers pursuant to which the Company has conditionally agreed to acquire certain inventory, retail store leases and other assets and contract rights relating to the retail, wholesale and e-commerce operations of the BCBG Brands, for a consideration of US\$23 million (approximately HK\$179 million) and the assumption of all liabilities relating to the acquired assets arising after the Closing Date and workers' compensation liabilities.

In connection with the Asset Purchase Agreement, the Company will enter into a license agreement with a party that will be acquiring the intellectual property assets relating to the BCBG Brands as part of a court approved reorganization plan for the BCBG Group.

Completion of the transaction is conditional upon, among other things, US Bankruptcy Court approval of the reorganization plan for the BCBG Group and other necessary regulatory approvals.

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Asset Purchase Agreement exceeds 5%, but none of them exceeds 25%, the entering into the Asset Purchase Agreement constitutes a discloseable transaction and is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

THE PRINCIPAL TERMS OF THE ASSET PURCHASE AGREEMENT

Date

9 June 2017 (New York time)

Parties

- (1) the Company;
- (2) BCBG; and
- (3) each of the other Sellers

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as of the date of this announcement, BCBG, the other Sellers and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets to be acquired

Pursuant to the Asset Purchase Agreement, the Company has conditionally agreed to acquire certain inventory, retail store leases and other assets and contract rights relating to the retail, wholesale and e-commerce operations of the BCBG Brands.

Consideration

The Consideration for the Acquisition amounts to US\$23 million (approximately HK\$179 million), payable in cash, and the assumption of all liabilities relating to the acquired assets arising after the Closing Date and certain specified workers' compensation liabilities.

The Consideration was determined as part of a reorganization plan for the BCBG Group submitted to the US Bankruptcy Court for approval and after arm's length negotiations between the parties taking into account various factors, including but not limited to the historical sales from the BCBG Business and expected future prospects of the BCBG Business, and the reasons for and benefits of the transactions as contemplated under the Asset Purchase Agreement.

Completion is expected to take place on or before 31 July 2017.

For the years ended 28 January 2017 and 30 January 2016, the net sales attributable to the BCBG Business were approximately US\$614.7 million (approximately HK\$4,795 million) and US\$670.8 million (approximately HK\$5,232 million) respectively. The losses before and after tax attributable to the BCBG Business for the year ended 28 January 2017 based on

unaudited management accounts were approximately US\$111.2 million (approximately HK\$867 million) and US\$112.0 million (approximately HK\$874 million), respectively. The corresponding losses for the year ended 30 January 2016 were approximately US\$5.3 million (approximately HK\$41 million) and US\$6.5 million (approximately HK\$51 million), respectively. The value of the net assets attributable to the BCBG Business as at 28 January 2017 was a deficit of approximately US\$456.7 million (approximately HK\$3,562 million), based on unaudited management accounts. The above accounts were prepared in accordance with US GAAP.

License

In connection with the Asset Purchase Agreement, the Company will enter into a license agreement with a party that will be acquiring the intellectual property assets relating to the BCBG Brands as part of a court approved reorganization plan for the BCBG Group.

The Company will market, promote, sell and distribute the included products bearing the BCBG Brands, as well as operate the wholesale operations, select retail stores and e-commerce platform of the BCBG Brands.

CONDITIONS PRECEDENT

Completion of the transaction is conditional upon, among other things, US Bankruptcy Court approval of the reorganization plan for the BCBG Group and other necessary regulatory approvals.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Board is of the view that the Acquisition represents a strategic opportunity to acquire high quality assets at an attractive valuation that will enable the Group to further enhance its business portfolio.

After careful consideration of the factors listed above and the terms of the Asset Purchase Agreement, the Board considers that the Asset Purchase Agreement has been entered into on normal commercial terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES

The Group is one of the world's leading branded apparel, footwear and fashion accessories companies. The Group designs, develops, markets and sells products under a diverse array of owned and licensed brands and a wide range of product categories. The Group's innovative design capabilities, strong brand management focus, and strategic vision enable it to create new opportunities, product categories and market expansion for brands on a global scale. In addition, the Group is the global leader in the brand management business through its joint venture, CAA-GBG Brand Management Group.

BCBG is primarily engaged in the business of women's ready-to-wear products and accessories for customers worldwide. Founded in 1989, BCBG was named for the French phrase "bon chic, bon genre", a Parisian slang meaning "good style, good attitude". The brand embodies a true combination of European sophistication and American spirit. The products are sold online, in freestanding boutiques and partner shops at top department stores across the globe.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Asset Purchase Agreement exceeds 5%, but none of them exceeds 25%, the entering into the Asset Purchase Agreement constitutes a discloseable transaction and is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Acquisition"	the Acquisition of the Business pursuant to the Asset Purchase Agreement
"Asset Purchase Agreement"	the Asset Purchase Agreement dated 9 June 2017 entered into between the Company and the Sellers
"BCBG"	BCBG Max Azria Global Holdings, LLC, a limited liability company incorporated in Delaware
"BCBG Brands"	the BCBG Generation, BCBG Max Azria and Herve Leger brands

“BCBG Business”	the business carried out by the BCBG Group in relation to the design, manufacture and sale of women’s fashion products and accessories under the BCBG Brands
“BCBG Group”	BCBG and its subsidiaries
“Board”	the board of Directors of the Company
“Closing Date”	means the date on which the Acquisition is completed in accordance with the Asset Purchase Agreement
“Company”	Global Brands Group Holding Limited (利標品牌有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 787)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratios”	has the meaning ascribed to it in the Listing Rules
“Sellers”	BCBG, BCBG Max Azria Canada Inc., MLA Multibrand Holdings, LLC, BCBG Max Azria Group, LLC, BCBG Max Azria Intermediate Holdings, LLC and Max Rave, LLC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“US Bankruptcy Court”	the United States Bankruptcy Court for the Southern District of New York

“US GAAP”	the United States generally accepted accounting principles
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

For illustration purposes in this announcement, the translation of US\$ into HK\$ is based on exchange rate of US\$1.00 to HK\$7.80.

By order of the Board
Global Brands Group Holding Limited
William FUNG Kwok Lun
Chairman

Hong Kong, 9 June 2017

Websites: www.globalbrandsgroup.com
www.irasia.com/listco/hk/gbg

As at the date of this announcement, the Board comprises one Non-executive Director, namely William Fung Kwok Lun (Chairman), two Executive Directors, namely Bruce Philip Rockowitz (Chief Executive Officer & Vice Chairman) and Dow Famulak (President, Europe, Asia and Brand Management) and six Independent Non-executive Directors, namely Paul Edward Selway-Swift, Stephen Harry Long, Hau Leung Lee, Allan Zeman, Audrey Wang Lo and Ann Marie Scichili.