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BaWang International (Group) Holding Limited
霸王國際（集團）控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01338)

GRANT OF OPTIONS UNDER SHARE OPTION SCHEME

The board of directors of BaWang International (Group) Holding Limited announces that on 7 February 2012 the Company has granted the Options to subscribe for an aggregate of 1,500,000 Shares pursuant to the share option scheme adopted by the Company on 20 May 2009, subject to acceptance by the Grantee.

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

The board of directors (the "**Board**") of BaWang International (Group) Holding Limited (the "**Company**") announces that subject to the acceptance of the grantee (the "**Grantee**"), the Company has on 7 February 2012 (the "**Date of Grant**") granted 1,500,000 share options (the "**Options**") to a full-time employee of a wholly owned subsidiary of the Company (the "**Subsidiary**") to subscribe for an aggregate of 1,500,000 ordinary shares of HK\$0.10 each in the capital of the Company (the "**Shares**") under its share option scheme adopted on 20 May 2009 (the "**Scheme**").

The Options shall entitle its holder to subscribe for an aggregate of 1,500,000 Shares upon exercise of such Options at an exercise price of HK\$1.00 per share, which represents the highest of (1) the nominal value of a Share; (2) the closing price of HK\$1.00 per Share as stated in the daily quotation sheet issued by The Stock Exchange of Hong Kong Limited on the date of grant; and (3) the average closing price of HK\$0.978 per Share as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant.

The Options granted are exercisable in five tranches as set out below:

1. up to the first 20% of the Options, anytime after the first anniversary of the Grantee joining the Subsidiary;
2. up to another 20% of the Options, anytime after the second anniversary of the Grantee joining the Subsidiary;
3. up to another 20% of the Options, anytime after the third anniversary of the Grantee joining the Subsidiary;

4. up to another 20% of the Options, anytime after the fourth anniversary of the Grantee joining the Subsidiary; and
5. in respect of the remaining 20% of the Options, anytime after the fifth anniversary of the Grantee joining the Subsidiary.

The Options that are granted may only be exercised by the Grantee before the end of the 10 year period commencing from the Date of Grant (the "**Option Period**") and will expire at the end of the Option Period, subject to the provisions for early termination contained in the Scheme.

The Options will be vested entirely only if the Grantee has met the conditions of vesting as stated in the letters of grant. Unless all such conditions are met, the Options granted will lapse.

The Grantee is not a director, chief executive, substantial shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates (as defined in the Listing Rules).

By order of the Board
BaWang International (Group) Holding Limited
CHEN Qiyuan
Chairman

Hong Kong, 7 February 2012

As at the date of this announcement, the Board comprises of four executive directors, namely, Mr. CHEN Qiyuan, Ms. WAN Yuhua, Mr. SHEN Xiaodi and Mr. WONG Sin Yung, one non-executive director, namely, Ms. GUO Jing, and three independent non-executive directors, namely, Mr. NGAI Wai Fung, Mr. LI Bida and Mr. CHEN Kaizhi.

** For identification purpose only*