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波司登國際控股有限公司
Bosideng International Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 3998)

ADOPTION OF SHARE AWARD SCHEME

The Board has adopted the Share Award Scheme on 23 September 2011 in which the Eligible Person will be entitled to participate. The purpose of the Share Award Scheme is to recognise and reward the contribution of certain Eligible Persons and to retain them for the growth and development of the Group through an award of Shares. Pursuant to the Share Award Scheme, Shares will be purchased by the Share Award Scheme Trustee in the market out of cash contributed by the Company and be held in trust for the relevant Selected Employees until such Shares are vested in the relevant Selected Person in accordance with the provisions of the Share Award Scheme at no cost.

The total number of Shares held by the Share Award Scheme Trustee under the Share Award Scheme will not exceed 1.5% of the total issued Shares at any time.

The Board had adopted the Share Award Scheme on the Adoption Date. The Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. A summary of the principal terms of the Share Award Scheme is set out below:

Purpose of the Share Award Scheme

The purpose of the Share Award Scheme is to recognise and reward the contribution of certain Eligible Persons to the growth and development of the Group through an award of Shares.

Administration

The Share Award Scheme shall be subject to the administration of the Administration Committee in accordance with the rules of the Share Award Scheme.

Participants

The Administration Committee may, in its absolute discretion, make an award to any employee (whether full time or part time) of the Group (the “**Eligible Person**”).

The eligibility of any of the Eligible Person to an award shall be determined by the Administration Committee from time to time on the basis of its opinion as to such Eligible Person’s contribution to the development and growth of the Group.

For the avoidance of doubt, the Eligible Persons shall exclude any Directors and any connected persons (as defined in the Listing Rules) of the Company.

Pool of awarded Shares

The Administration Committee shall notify the Share Award Scheme Trustee (which was appointed as the trustee for the purpose of the Share Award Scheme) in writing upon the making of award to an Eligible Person (the “**Selected Person**”) under the Share Award Scheme. Upon the receipt of such notice, the Share Award Scheme Trustee shall set aside the appropriate number of awarded Shares out of a pool of Shares (the “**Shares Pool**”) comprising the following:

- (a) the Shares which will be purchased by the Trustee on the Stock Exchange by utilising the initial trust fund to be paid by the Company to the Trustee pursuant to the Trust Deed;
- (b) such Shares as may be purchased by the Shares Award Scheme Trustee on the Stock Exchange by utilising the further funds which may be allocated by the Directors out of the Company’s resources, subject to the limit set out in the paragraph headed “Scheme Limit” below; and
- (c) such Shares which remain unvested and revert to the Share Award Scheme Trustee by reason of a lapse of an award.

Purchase of Shares by the Share Award Scheme Trustee to satisfy awards and the operation of the Share Award Scheme

Subject to the restrictions as set out in the paragraph headed “Restrictions on the time of making awards, subscription, purchase and/or vesting”, the Administration Committee may at any time notify and instruct the Share Award Scheme Trustee to purchase Shares on the Stock Exchange at any price lower than the maximum price of the Shares as the Administration Committee deems appropriate. In particular, in the event that the aggregate number of Shares held by the Share Award Scheme Trustee in the Shares Pool after deducting the number of awarded Shares set aside pursuant to the awards already made and outstanding is insufficient for the purposes of satisfying any further awards to be made under the Share Award Scheme, the Administration Committee shall forthwith notify and instruct the Share Award Scheme Trustee who shall satisfy any shortfall, actual or contingent, in the awarded Shares by purchasing the relevant number of Shares on the Stock Exchange at any price lower than the maximum price of the Shares as the Administration Committee deems appropriate.

The Selected Persons do not entitle to any cash, non-cash income or sale proceeds of non-cash and non-scrip distributions declared in respect of the Shares held by the Share Award Scheme Trustee. Such income or distribution shall be held by the Share Award Scheme Trustee for the benefit of the Eligible Persons to be granted with Shares at the discretion of the Administration Committee.

The Directors shall procure that, subject to the limit referred to in the paragraph headed “Scheme Limit” below, adequate funds are paid out of the Company’s resources to the Share Award Scheme Trustee to enable the Share Award Scheme Trustee to purchase the appropriate number of Shares in order to satisfy the outstanding awards from time to time made under the Share Award Scheme.

Restricting on the time of making awards, subscription, purchase and/or vesting

No award shall be made or vested by the Administration Committee and no instructions to acquire Shares shall be made in the following circumstances:

- (a) after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been made available to the public domain; or

(b) when according to the requirements under the Listing Rules or in any circumstances which are prohibited under the Listing Rules, the Securities and Futures Ordinance or any other applicable law or regulation or where the requisite approval from any applicable regulatory authorities has not been granted.

Scheme limit

No Shares will be acquired by the Share Award Scheme Trustee if such acquisition would result in the total number of Shares acquired by the Share Award Scheme Trustee during the 12 month period immediately preceding the acquisition representing in aggregate over 1.5% of voting rights of the Company.

The total number of Shares held by the Share Award Scheme Trustee under the Share Award Scheme will not exceed 1.5% of the total issued Shares at any time and the maximum number of the awarded Shares which may be granted to a Selected Person at any one time or in aggregate may not exceed 1.5% of the issued share capital of the Company as at the Adoption Date.

Lapse of awards

In the event that any Selected Person ceases to be an Eligible Person by reason of summary dismissal for misconduct, committing of a criminal offence, other breach of his terms of employment or is in bankruptcy, an award made to such Selected Person shall forthwith lapse and be cancelled.

If any Selected Person ceases to be an Eligible Person by reason only of his retirement or termination of employment in accordance with his contract of employment, the Eligible Person shall remain entitled to the awarded Shares which are set aside for him pursuant to an award.

If any Selected Person ceases to be an Eligible Person by reason only of his death, the awarded Shares which are set aside for him pursuant to an award shall be transferred to or vested in his personal representative in accordance with the terms of the Share Award Scheme.

Voting rights

The Share Award Scheme Trustee shall not exercise the voting rights in respect of Shares held under the Share Award Scheme.

Termination of the Share Award Scheme

The Directors may by resolution at any time terminate the operation of the Share Award Scheme and in such event no further awards shall be made provided that such termination shall not affect any subsisting rights of any Selected Person in respect of any award made to him prior to such termination.

Duration of the Share Award Scheme

Subject to any early termination pursuant to the terms of the Share Award Scheme and any resolutions by the Directors to renew the terms of the Share Award Scheme, the Share Award Scheme will remain in force for a period commencing on the Adoption Date and ending on 31 March 2018.

Definitions

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

“Administration Committee”	The administration committee of the Company which shall include members of the senior management of the Company who are in charge of the human resources department and the security and investment department of the Company, delegated with the power and authority by the Board to administer the Share Award Scheme;
“Adoption Date”	23 September 2011, the date on which the Board adopted the Share Award Scheme;
“Associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors;
“Business Day”	a day on which the Stock Exchange is open for the business of dealing in securities;

“Company”	Bosideng International Holdings Limited (波司登國際控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock;
“connected person”	has the meaning ascribed to it in the Listing Rules;
“Directors”	the directors of the Company;
“Eligible Person(s)”	has the meaning ascribed to it under the paragraph headed “Participants” of this announcement;
“Group”	the Company and its subsidiaries;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Selected Person”	has the meaning ascribed to it under the paragraph headed “Pool of awarded Shares” of this announcement;
“Share(s)”	ordinary share(s) of par value of US\$0.00001 each in the share capital of the Company;
“Share Award Scheme”	the share award scheme of the Company adopted by the Directors on the Adoption Date, the principal terms of which are set out in this announcement;
“Share Award Scheme Trustee”	BOCI - Prudential Trustee Limited, a company incorporated in Hong Kong, the trustee appointed by the Company for the administration of the Share Award Scheme pursuant to the Trust Deed and a third party not connected with any of the Director, chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates (as defined under the Listing Rules);
“Shares Pool”	has the meaning ascribed to it under the paragraph headed “Pool of awarded Shares” of this announcement;
“Stock Exchange”	The Stock Exchange of Hong Kong; and

“Trust Deed”

the trust deed in respect of the Share Award Scheme entered in to between the Company and the Share Award Scheme Trustee as trustee on 23 September 2011 (as restated, supplemented and amended from time to time)

By order of the Board
BOSIDENG INTERNATIONAL HOLDINGS LIMITED
Gao Dekang
Chairman

Hong Kong, 23 September, 2011

As at the date of this announcement, the executive Directors are Mr. Gao Dekang, Ms. Mei Dong, Dr. Kong Shengyuan, Ms. Gao Miaoqin, Ms. Huang Qiaolian and Ms. Wang Yunlei, the non-executive Director is Mr. Shen Jingwu, and the independent non-executive Directors are Mr. Dong Binggen, Mr. Jiang Hengjie, Mr. Wang Yao and Mr. Ngai Wai Fung.