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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Bracell Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
FINAL DIVIDEND AND
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 16 May 2016 at 4:00 p.m. is set out on pages 15 to 18 of this circular.

Whether or not you intend to attend the AGM in person, please complete, sign and return the accompanying proxy form in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) should you so wish.

12 April 2016

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context otherwise requires:

“AGM”	the annual general meeting of the Company to be held at Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 16 May 2016 at 4:00 p.m., the notice of which is set out on pages 15 to 18 of this circular
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended, supplemented or modified from time to time
“Company”	Bracell Limited, a company incorporated in Bermuda as an exempted company with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1768)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	6 April 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Post-IPO RSU Scheme”	the Post-IPO Restricted Share Unit Scheme adopted by the Company on 8 November 2010 for the grant of RSUs to eligible participants following the listing of the Shares on the Stock Exchange

DEFINITIONS

“Pre-IPO RSU Scheme”	the Pre-IPO Restricted Share Unit Scheme adopted by the Company on 8 November 2010 for the grant of RSUs to eligible participants prior to the listing of the Shares on the Stock Exchange
“RSU(s)”	the restricted share unit(s) granted pursuant to the Pre-IPO RSU Scheme and the Post-IPO RSU Scheme
“RSU Schemes”	the Pre-IPO RSU Scheme and the Post-IPO RSU Scheme
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of US\$0.05 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD



Bracell Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 1768)

Independent Non-executive Directors:

John Jeffrey YING (*Chairman*)

Jeffrey LAM Kin Fung

David YU Hon To

LIM Ah Doo

LOW Weng Keong

Armin MEYER

Executive Director:

TEY Wei Lin (*Chief Executive Officer*)

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal place of business

in Hong Kong:

21/F, China Building

29 Queen's Road Central

Central

Hong Kong

12 April 2016

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
FINAL DIVIDEND AND
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM of the Company, relating to, among other things, (i) the re-election of Directors who shall retire from office by rotation at the AGM; (ii) the recommendation of a final dividend; (iii) the granting to the Board of general mandates to issue and repurchase Shares; and (iv) the granting to the Board of an annual mandate to issue Shares underlying the RSUs; and to give you the notice convening the AGM.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, namely Messrs. John Jeffrey YING, TEY Wei Lin, Jeffrey LAM Kin Fung, David YU Hon To, LIM Ah Doo, LOW Weng Keong and Armin MEYER.

In accordance with Bye-law 84 of the Company's Bye-laws, Messrs. John Jeffrey YING, David YU Hon To and LOW Weng Keong will retire from office by rotation at the AGM. All the said retiring Directors, being eligible, have offered themselves for re-election. Messrs. John Jeffrey YING, David YU Hon To and LOW Weng Keong have given an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board are of the view that they meet the independence guidelines set out in Rule 3.13 of the Listing Rules and considers them to be independent and recommends them to be re-elected in view of their skills, experience and knowledge of the Group's businesses.

Brief biographical details of the three Directors who are proposed to be re-elected at the AGM are set out in **Appendix I** to this circular.

In accordance with Bye-law 85 of the Company's Bye-laws, no person other than a retiring Director shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that (if the notice(s) are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

Accordingly, any Shareholder(s) who wishes to nominate a person to stand for election as a Director at the AGM must lodge with the Company at its place of business in Hong Kong at 21/F, China Building, 29 Queen's Road Central, Central, Hong Kong, or the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 8 May 2016 (i) his written nomination of the candidate; (ii) written confirmation from such nominated candidate of his willingness to be elected as Director; and (iii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company.

3. RECOMMENDATION OF A FINAL DIVIDEND

The Board has recommended a final dividend of HK3.0 cents per Share. Subject to the Shareholders' approval at the AGM, such dividend is expected to be paid on or around 3 June 2016 to the Shareholders whose names appear on the register of members on 24 May 2016.

LETTER FROM THE BOARD

4. PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 18 May 2015, general mandates were given to the Directors to allot, issue and deal with additional Shares and to exercise the powers of the Company to repurchase Shares. During the year ended 31 December 2015 and up to the Latest Practicable Date, the Company had issued 1,000,000 Shares under the general mandate, details of which were disclosed at the Company's announcement dated 17 December 2015.

Such general mandates will lapse at the conclusion of the AGM. It will be proposed at the AGM the following ordinary resolutions granting to the Directors:

- (a) a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of the resolution (i.e. not exceeding 684,284,050 Shares based on the issued share capital of the Company of 3,421,420,250 Shares as at the Latest Practicable Date and assuming that such issued share capital remains the same at the date of passing the resolution) (the "Issue Mandate") (the "Ordinary Resolution No. 5(A)");
- (b) a general mandate to exercise the powers of the Company to repurchase Shares not exceeding 10% of the issued share capital of the Company at the date of the resolution (the "Repurchase Mandate") (the "Ordinary Resolution No. 5(B)"); and
- (c) if both the Issue Mandate and the Repurchase Mandate are granted, the Issue Mandate is extended by addition thereto of any Shares representing the aggregate nominal amount of the Shares repurchased by the Company under the authority granted pursuant to the Repurchase Mandate, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the Shares at the date of the resolution (the "Ordinary Resolution No. 5(C)").

In respect of Ordinary Resolution No. 5(A), the Board wishes to state that they have no immediate plans to issue any new Shares. Approval is being sought from the Shareholders for a general mandate pursuant to the Listing Rules.

An explanatory statement, as required by the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange to provide the requisite information of the proposed Repurchase Mandate is set out in **Appendix II** to this circular.

5. PROPOSED ANNUAL MANDATE TO ISSUE SHARES UNDERLYING RSUs

Pursuant to a written resolution passed by the then sole shareholder of the Company dated 8 November 2010, the Company adopted the Post-IPO RSU Scheme to attract skilled and experienced personnel, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company.

LETTER FROM THE BOARD

Pursuant to the RSU Schemes, the Company has established two separate trusts whose beneficiaries are grantees of RSUs, namely, (a) the Bracell Share Incentive (Directors) Trust, the beneficiaries of which are directors and connected persons of the Company, and (b) the Bracell Share Incentive (Employees) Trust, the beneficiaries of which are not connected persons of the Company.

On 30 April 2015, RSUs in respect of an aggregate of 1,300,000 Shares were vested under the Post-IPO RSU Scheme, of which 1,075,000 Shares were vested under the Bracell Share Incentive (Directors) Trust and 225,000 Shares were vested under the Bracell Share Incentive (Employees) Trust. As at the last annual general meeting of the Company on 18 May 2015, RSUs in respect of an aggregate of 675,000 Shares were outstanding. During the period from the last annual general meeting of the Company on 18 May 2015 and up to the Latest Practicable Date, (a) RSUs in respect of an aggregate of 1,050,000 Shares have been granted on 6 July 2015, of which 700,000 Shares have been granted to two directors of certain subsidiaries of the Company and remaining 350,000 Shares have been granted to one grantee who was not a director, chief executive, or substantial shareholder of the Company or its subsidiaries, nor an associate of any of them as at the said grant date; (b) no RSUs have been canceled; and (c) no RSUs have vested. During the period from the last annual general meeting of the Company on 18 May 2015 and up to the Latest Practicable Date, no Shares have been issued to Bank of East Asia (Trustees) Limited as trustee of (a) the Bracell Share Incentive (Directors) Trust nor (b) the Bracell Share Incentive (Employees) Trust. As at the Latest Practicable Date, RSUs in respect of 1,725,000 Shares were outstanding.

Of the 1,050,000 RSUs which were granted on 6 July 2015, in the event of vesting, the 700,000 RSUs which were granted to directors of certain subsidiaries of the Company will be satisfied through on-market purchases of the relevant number of Shares by Bank of East Asia (Trustees) Limited as trustee, and the remaining 350,000 RSUs will be satisfied either by the Company allotting and issuing the relevant number of Shares or through on-market purchases of the relevant number of Shares by Bank of East Asia (Trustees) Limited as trustee. If the Company intends to allot and issue new Shares to a director or connected person of the Company or to Bank of East Asia (Trustees) Limited as trustee of the Bracell Share Incentive (Directors) Trust to satisfy RSUs granted to such persons, the Company will comply with the applicable requirements of Chapter 14A of the Listing Rules.

Under the Post-IPO RSU Scheme, the scheme mandate limit (being the maximum number of new Shares that may underlie the RSUs granted pursuant to the Post-IPO RSU Scheme) is 336,882,675 Shares. Since the establishment of the Post-IPO RSU Scheme and up to the Latest Practicable Date, RSUs in respect of an aggregate of 8,727,276 Shares have been granted, and RSUs in respect of an aggregate of 2,302,867 Shares have been canceled. Accordingly, as at the Latest Practicable Date, the maximum number of new Shares that may underlie the RSUs to be granted pursuant to the Post-IPO RSU Scheme was 330,458,266 Shares.

LETTER FROM THE BOARD

The current annual mandate to issue Shares underlying RSUs will lapse at the conclusion of the AGM. In accordance with the rules of the Post-IPO RSU Scheme, it will be proposed at the AGM an ordinary resolution granting to the Board an annual mandate (i) specifying the maximum number of new Shares that may underlie the RSUs granted pursuant to the Post-IPO RSU Scheme; and (ii) empowering the Board to allot, issue and deal with Shares underlying the RSUs granted pursuant to the Post-IPO RSU Scheme, during the period between the AGM and the next annual general meeting of the Company (the “**Annual Mandate**”) (the “**Ordinary Resolution No. 5(D)**”). Any directors and employees of the Group who are eligible to participate in the Post-IPO RSU Scheme and who hold Shares should abstain from voting on Ordinary Resolution No. 5(D). As at the Latest Practicable Date,

- (i) Mr. John Jeffrey YING, a Director, held a total of 960,591 Shares; and
- (ii) 4 directors of certain subsidiaries of the Company and 3 employees of the Group who are eligible to participate in the Post-IPO RSU Scheme held a total of 3,664,395 Shares,

and all such persons will abstain from voting on their Shares in respect of Ordinary Resolution No. 5(D). As far as the Directors are aware and save as disclosed above, as at the Latest Practicable Date, no directors or employees of the Group who are eligible to participate in the Post-IPO RSU Scheme held any Shares.

6. ANNUAL GENERAL MEETING

A notice convening the AGM to be held at Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 16 May 2016 at 4:00 p.m. is set out on pages 15 to 18 of this circular.

A proxy form for use at the AGM is enclosed with this circular. The proxy form can also be downloaded from the Company’s website at <http://www.brazilcellulose.com> or the website of the Stock Exchange at <http://www.hkexnews.hk>. Whether or not you intend to attend the AGM in person, please complete, sign and return the accompanying proxy form in accordance with the instructions printed thereon to the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions proposed at the AGM will be put to vote by way of poll. Any announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Board considers that the proposed resolutions as set out in the Notice of AGM, including, among other things, the proposed resolutions in relation to the granting of the Issue Mandate, the Repurchase Mandate and the Annual Mandate are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of such resolutions to be proposed at the AGM.

8. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Notice of AGM and the appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Bracell Limited
John Jeffrey YING
Chairman

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be elected at the AGM:

1. **John Jeffrey YING**, 53, has been the chairman and an independent non-executive Director of the Company since October 2010. He is also the chairman of the Executive Committee and the Independent Board Committee and a member of the Remuneration Committee of the Company. Mr. Ying is the founder and managing director of Peak Capital, a private investment firm formed in 1999 that invests in growth and expansion capital transactions in the Greater China region. He is a non-executive director of Tai Ping Carpets International Limited, a company listed on the Stock Exchange. From 2008 to 2009, Mr. Ying concurrently served as a managing director of Arctic Capital Limited, a private equity firm, where he was responsible for managing investments in North Asia. He served as a managing director in Asia of The Carlyle Group, a private global investment firm, in Hong Kong from 1998 to 1999, where he was responsible for managing investments in China and Thailand. He also worked at Merrill Lynch & Co. from 1984 to 1986 and from 1989 to 1998, and his last position held was as a director in investment banking. Mr. Ying sits on the board of several not-for-profit organizations, including the chairman of Asian Republican Coalition, the chairman emeritus of The Hong Kong Ballet and a director emeritus of the Graduate Executive Board of The Wharton School. Mr. Ying received both a master of business administration degree in finance from The Wharton School and a master of arts degree in international studies from the University of Pennsylvania in 1989. He graduated from the Massachusetts Institute of Technology with a bachelor of science degree in electrical engineering in 1984.

Save as disclosed above, Mr. Ying did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

As at 31 December 2015 and the Latest Practicable Date, Mr. Ying held a total of 960,591 Shares representing the total number of shares vested to Mr. Ying under the Pre-IPO RSU Scheme.

Save as disclosed above, Mr. Ying did not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company nor had he any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Ying has entered into a letter of appointment with the Company for an indefinite term, subject to the retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws or any other applicable laws from time to time whereby he shall vacate his office. The Director's fee of Mr. Ying for the year ended 31 December 2015 was HK\$500,000, which was determined in accordance with, and covered by, the Director's letter of appointment with the Company.

Save as disclosed above, Mr. Ying is not aware of any other matters that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

2. **David YU Hon To**, 67, has been an independent non-executive Director of the Company since October 2010. He is also the chairman of the Audit Committee and a member of the Nomination Committee and the Independent Board Committee of the Company. Mr. Yu has extensive experience in the fields of corporate finance, auditing and corporate management. He serves as an independent non-executive director of several other companies listed on the Stock Exchange, namely Great China Holdings Limited, Haier Electronics Group Co., Ltd., China Renewable Energy Investment Limited, Media Chinese International Limited, One Media Group Limited, Playmates Holdings Limited, Synergis Holdings Limited, China Resources Gas Group Limited, Keck Seng Investments (Hong Kong) Limited and New Century Asset Management Limited (as manager of New Century Real Estate Investment Trust). Mr. Yu ceased to be an independent non-executive director of China Datang Corporation Renewable Power Co., Limited with effect from 20 August 2013, TeleEye Holdings Limited with effect from 25 October 2013 and VXL Capital Limited (now known as Crown International Corporation Limited) with effect from 27 May 2014. Mr. Yu obtained a bachelor's degree in social sciences from the Chinese University of Hong Kong. He is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, Mr. Yu did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

Save as disclosed above, Mr. Yu did not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company nor had he any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Yu has entered into a letter of appointment with the Company for an indefinite term, subject to the retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws or any other applicable laws from time to time whereby he shall vacate his office. The Director's fee of Mr. Yu for the year ended 31 December 2015 was HK\$500,000, which was determined in accordance with, and covered by, the Director's letter of appointment with the Company.

Save as disclosed above, Mr. Yu is not aware of any other matters that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

3. **LOW Weng Keong**, 63, has been an independent non-executive Director of the Company since April 2013. He is also a member of the Audit Committee, the Remuneration Committee and the Independent Board Committee of the Company. Mr. Low has extensive experience in accounting, taxation and advisory services. He is currently an independent director of UOL Group Limited (“UOL”), Riverstone Holdings Limited (“Riverstone”) and iX Biopharma Ltd. (“iX”). UOL and Riverstone are companies listed on the Singapore Stock Exchange and iX is a company listed on Catalist of the Singapore Stock Exchange. He is also a director of the Singapore Institute of Accredited Tax Professionals Limited, a director of the Confederation of Asian and Pacific Accountants and a former global president and chairman of CPA Australia Limited. Mr. Low ceased to be an independent director of Unionmet (Singapore) Limited with effect from 29 July 2013 and Pan Pacific Hotels Group Limited with effect from 31 October 2013. He was a former head of tax services as well as country managing partner and head of Ernst & Young Singapore from which firm he retired in 2005 after 19 years of service. Prior to that he was the far east area tax manager for Brown & Root Inc., a US Fortune 500 company. Mr. Low is a life member of CPA Australia, a fellow member of the Institute of Chartered Accountants in England & Wales and the Institute of Singapore Chartered Accountants, an associate member of the UK Chartered Institute of Taxation and an accredited tax advisor of the Singapore Institute of Accredited Tax Practitioners.

Save as disclosed above, Mr. Low did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

Save as disclosed above, Mr. Low did not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company nor had he any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Low has entered into a letter of appointment with the Company for an indefinite term, subject to the retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws or any other applicable laws from time to time whereby he shall vacate his office. The Director’s fee of Mr. Low for the year ended 31 December 2015 was HK\$500,000, which was determined in accordance with, and covered by, the Director’s letter of appointment with the Company.

Save as disclosed above, Mr. Low is not aware of any other matters that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules in relation to the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,421,420,250 Shares of US\$0.05 each.

Subject to the passing of Ordinary Resolution No. 5(A) and on the basis that no further Shares will be issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 342,142,025 Shares representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company. The Directors will decide on the number of Shares to be repurchased on each occasion and the price and other terms upon which the same is repurchased at relevant time having regard to the circumstances then pertaining and they will do so only when they believe that such repurchases will benefit the Company and the Shareholders as a whole. At present, the Directors have no intention to repurchase any Shares.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda. It is envisaged that such repurchases would be paid out of the capital paid up on the repurchased Shares, or the funds of the Company otherwise available for dividend or distribution, or the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase would be provided out of funds of the Company otherwise available for dividend or distribution or the Company's share premium account.

In the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the Company's annual report for the year ended 31 December 2015. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
April	1.39	0.88
May	1.40	1.12
June	1.25	1.00
July	1.05	0.70
August	0.96	0.78
September	0.89	0.75
October	1.13	0.80
November	0.96	0.84
December	0.93	0.80
2016		
January	0.91	0.67
February	0.84	0.65
March	0.90	0.69
April (up to the Latest Practicable Date)	0.89	0.85

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to Ordinary Resolution No. 5(B) and in accordance with the Listing Rules, the Bye-Laws and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquires, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, each of Gold Silk Holdings Limited ("**Gold Silk**"), Fiduco Trust Management AG ("**Fiduco**"), the 100% owner of Gold Silk and the trustee of a discretionary trust established by Mr. Sukanto TANOTO ("**Mr. Tanoto**") as settlor and whose beneficiaries include Mr. Tanoto and certain members of his family, and Mr. Tanoto being the ultimate controlling Shareholder, is taken to have an interest under the SFO in the same block of 2,863,496,750 Shares, representing approximately 83.69% of the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then (assuming the present shareholdings remain the same) the attributable shareholding of Gold Silk, Fiduco and Mr. Tanoto would be increased to approximately 92.99% of the issued share capital of the Company. In the opinion of the Directors, such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code but the number of Shares held in the hands of the public may fall below the limit of 16.17% of the total number of Shares in issue as approved by the Stock Exchange. At present, the Directors have no intention to repurchase Shares to such extent as to result in the number of Shares held in the hands of the public falling below the prescribed limit as approved by the Stock Exchange.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF AGM



Bracell Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 1768)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Bracell Limited (the “Company”) will be held at Regus Business Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 16 May 2016 at 4:00 p.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements, the Directors’ Report and the Independent Auditor’s Report for the year ended 31 December 2015.
2. To declare a final dividend of HK3.0 cents per share for the year ended 31 December 2015.
3. (A) To re-elect Mr. John Jeffrey YING as a Director;
(B) To re-elect Mr. David YU Hon To as a Director;
(C) To re-elect Mr. LOW Weng Keong as a Director; and
(D) To authorize the board of Directors (the “Board”) to fix the Director’s remuneration.
4. To re-appoint PricewaterhouseCoopers as the auditor and to authorize the Board to fix its remuneration.
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- (A) “**THAT** a general mandate be and is hereby unconditionally given to the Directors to allot, issue and deal with shares of the Company (the “Shares”) or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers, provided that the aggregate nominal value of Shares allotted or agreed to be allotted by the Directors other than pursuant to:
 - (a) a rights issue;
 - (b) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company;

NOTICE OF AGM

- (c) the vesting of restricted share units (the “**RSUs**”) granted pursuant to the Pre-IPO RSU Scheme and the Post-IPO RSU Scheme adopted by the Company on 8 November 2010;
- (d) the exercise of options granted pursuant to the share option scheme adopted by the Company on 8 November 2010; or
- (e) a specific authority granted by the shareholders of the Company (the “**Shareholders**”) in general meeting,

shall not exceed 20% of the total nominal value of the share capital of the Company in issue at the date of the passing of this Ordinary Resolution No. 5(A).

This general mandate to issue Shares will expire:

- (i) at the conclusion of the next annual general meeting of the Company; or
- (ii) at the end of the period within which the Company is required by any applicable laws or the Bye-laws of the Company to hold its next annual general meeting; or
- (iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting,

whichever is the earliest.”

- (B) “**THAT** a general unconditional mandate be and is hereby granted to the Directors to exercise all powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, with a total nominal value of not more than 10% of the total nominal value of the share capital of the Company in issue at the date of the passing of this Ordinary Resolution No. 5(B), and the said approval shall be limited accordingly.

This general mandate to repurchase Shares will expire:

- (i) at the conclusion of the next annual general meeting of the Company; or
- (ii) at the end of the period within which the Company is required by any applicable laws or the Bye-laws of the Company to hold its next annual general meeting; or
- (iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting,

whichever is the earliest.”

NOTICE OF AGM

(C) “**THAT** conditional upon the passing of Ordinary Resolutions Nos. 5(A) and 5(B) as set out in the notice of AGM, the general mandate granted to the Directors pursuant to Ordinary Resolution No. 5(A) as set out in the notice of AGM and for the time being in force to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into Shares) be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the Shares purchased or repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5(B) as set out in the notice of AGM, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution.”

(D) “**THAT** (a) the maximum number of new Shares that may underlie the RSUs granted pursuant to the Post-IPO RSU Scheme during the period from the date of the passing of this Ordinary Resolution 5(D) until the earliest of

(i) the conclusion of the next annual general meeting of the Company; or

(ii) the end of the period within which the Company is required by any applicable laws or the Bye-laws of the Company to hold its next annual general meeting;
or

(iii) the variation or revocation by an ordinary resolution of the Shareholders in general meeting (the “**Applicable Period**”),

shall be 330,458,266 and (b) the Board has the power to allot, issue and deal with Shares underlying the RSUs granted pursuant to the Post-IPO RSU Scheme during the Applicable Period as and when the RSUs vest.”

By Order of the Board
Bracell Limited
Winnie LUI Mei Yan
Company Secretary

Hong Kong, 12 April 2016

NOTICE OF AGM

Notes:

1. Any member entitled to attend and vote at the AGM shall be entitled to appoint one or more proxies to attend and vote. A proxy need not be a member of the Company.
2. To be valid, the proxy form together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be delivered to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the AGM or any adjournment thereof (as the case may be).
3. Completion and return of the proxy form will not preclude a member from attending and voting at the AGM or any adjournment thereof (as the case may be) should the member so desires. In the event that the member attends the AGM after having lodged the proxy form, it will be deemed to have been revoked.
4. The register of members of the Company will be closed from 12 May 2016 to 16 May 2016, both days inclusive, during which period no transfer of Shares will be effected. In order to determine the entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates of the Company must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 11 May 2016.
5. The register of members of the Company will be closed on 24 May 2016, on which no transfer of Shares will be effected. In order to qualify for the proposed final dividend (subject to Shareholders' approval at the AGM), all transfer forms accompanied by the relevant share certificates of the Company must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 23 May 2016.
6. In respect of Ordinary Resolution No. 3 above, Messrs. John Jeffrey YING, David YU Hon To and LOW Weng Keong shall retire from office at the AGM and, being eligible, offer themselves for re-election.
7. In respect of Ordinary Resolutions Nos. 5(A) and 5(B) above, the Board wishes to state that there are no immediate plans to issue any new Shares or repurchase any Shares pursuant to the relevant general mandates. The general mandates to be sought from the Shareholders are in compliance with the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
8. In respect of Ordinary Resolution No. 5(D) above, any directors and employees of the Group who are eligible to participate in the Post-IPO RSU Scheme and who hold Shares should abstain from voting on Ordinary Resolution No. 5(D).