

31 December 2010

Global Brands S.A. (“Global Brands” or “the Company”)

**Variation of terms of the Acquisition of
Pagonia Holding AG (“Pagonia”)
and
Conversion of NobleRock Capital Loan (“Convertible Loan”)**

Acquisition of Pagonia Holding AG:

Further to the announcement on 19 November 2010, Global Brands announces that the acquisition of Pagonia is due to be completed later today following successful negotiations to vary the terms of the acquisition.

Pagonia is a Swiss Holding company with three wholly owned subsidiaries, Pizza Taxi GmbH, Pizza Taxi Handels GmbH and Lang Tsu AG. Pagonia also owns 49.75% of Tizzi GmbH and 5% of PizzaBebbi GmbH.

Pagonia subfranchises four pizza delivery stores - Tizzi GmbH, PizzaBebbi GmbH, Allwegas GmbH and Pizza Dealer GmbH (“the Subfranchisees”) - which trade under the Pizza Taxi brand in the Basel, Baselland and Aargau regions of Switzerland.

The primary asset to be acquired by Global Brands was the right to subfranchise the four pizza delivery stores. The completion of the acquisition was conditional on all four franchisee companies agreeing to become subfranchisees of Domino's Pizza under Global Brands S.A. and signing new franchise agreements to this effect. The long stop date for completion of the acquisition was 15 January 2011.

Today, the Company announces the completion of the acquisition together with variations to the original terms of the acquisition:

Two of the original Subfranchisees (Tizzi GmbH and PizzaBebbi GmbH) have signed new franchise agreements and will continue to trade from their current locations under the Domino's Pizza brand once conversion has taken place.

During the negotiations, Global Brands sought to improve the delivery area of the Pizza Dealer business. As a result, the Company has agreed with Pizza Roma, an established pizza delivery business with a store in Rheinfelden, that Pizza Roma will, on completion, acquire the Pizza Dealer business and become a sub-franchisee of Global Brands. The Pizza Roma store will trade from its current location and the Pizza Dealer store will be closed. The combination of the two customer databases and the improved location will result in a stronger foundation when the Rheinfelden store is converted to Domino's Pizza.

In addition to the three subfranchisees above, the vendors of Pagonia (“the Vendors”) have delivered a fourth subfranchisee, Pizza Dino GmbH (“Pizza Dino”), to replace Allwegas GmbH. Pizza Dino is currently trading from a location in Liestal, the centre of Basel-Land. It is anticipated that a new and improved location will be secured and ready for trading before the end of February 2011.

As a result of these changes to the agreement and, in particular, to incentivise the delivery of an improved location in Liestal by 28 February 2011, the Company and the Vendors have agreed that the Company will retain 20% of the consideration until the delivery of the new location.

The terms of the agreement have therefore been amended as follows:

The total consideration ("the Total Consideration") remains CHF 940,000 (CHF 611,000 in cash and the issue of 7,976,000 new ordinary shares in the Company at a price of £0.0275)

On completion (31 December 2010):

- CHF 488,800 shall be paid in cash
- 6,380,800 shares shall be issued to the Vendors

On 28 February 2011, provided that a new suitable location for the business in Leistal has been acquired the balance of the Total Consideration shall be paid:

- CHF 122,200 shall be paid in cash
- 1,595,200 shares shall be issued to the Vendors

If the new location is not delivered by 28 February 2011, then the Company will retain the outstanding cash and shares and the final consideration under the agreement will remain as the amounts payable on 31 December 2010.

NobleRock Capital Convertible Loan:

It was announced in May 2010 that the Company had secured a convertible loan facility from NobleRock Capital Sarl ("NobleRock") of CHF1m at an interest rate of 7% per annum with a conversion price of GBP 0.017 per share (the "Convertible Loan").

Today, the Board announces that it has resolved to convert today the Convertible Loan (which has been fully drawn down). Together with the accrued interest of CHF 24,938.90, the outstanding loan amount is CHF 1,024,938.90.

The initial loan facility had a final conversion date of 30 June 2011. However, the Board believes that it is beneficial to convert the loan now in order to strengthen the Company's balance sheet ahead of the financial year end and to eliminate further interest payments.

40,979,469 new shares will be issued today to NobleRock representing CHF 1,024,938.90 (£696,650.97) being the principal and accrued interest relating to the loan.

The total number of shares in issue following the conversion and the issue of shares due on completion of the Pagonia acquisition is 202,918,941. Following conversion, NobleRock will own 84,727,291 shares in Global Brands representing 41.75% of the issued share capital.

Application will be made for the new shares to be admitted to trading on AIM, and dealings are expected to commence in these shares on 6 January 2011.

Bruce Vandenberg, CEO said:

"I am delighted that we have been able to conclude the acquisition of Pagonia and sign up our first four sub-franchisees. In addition, our team's ability to manage the ongoing negotiations to improve the locations and partners in two of the stores means that we will start from an even stronger foundation than envisaged initially.

Sub-franchising is a key component of growth for the Company and forms the cornerstone of our strategy to fully develop the Swiss market.

The conversion of the NobleRock loan allows the company to conclude this turnaround year with a stronger balance sheet, whilst reducing the ultimate cost of the facility from an interest perspective.

Finally, I would like to thank all our shareholders for their support this year and wish everyone a successful 2011.”

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