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C.banner International Holdings Limited

千百度國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1028)

DISTRIBUTION AGREEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 21 March 2013, Nanjing Mayflower, a wholly-owned subsidiary of the Company, entered into the Distribution Agreement with the Suppliers, pursuant to which the Suppliers agreed to appoint Nanjing Mayflower as a principal distributor of the Products in the PRC.

DISTRIBUTION AGREEMENT

Date

21 March 2013

Parties

- (i) Nanjing Mayflower as purchaser
- (ii) Dongguan Highline United Trading Co., Ltd. (東莞高階貿易有限公司) and J.C. Leather Products (Dong Guan) Ltd. (東莞捷希皮革製品有限公司) as suppliers

Subject Matters

Pursuant to the Distribution Agreement, the Suppliers agreed to appoint Nanjing Mayflower as a principal distributor of the Products for the distribution of the Products in the PRC. The Products comprise women's footwear bearing the "ASH" and "JC" trademarks respectively. The Products are sold by the Suppliers to Nanjing Mayflower on a wholesale basis.

The Group's distribution rights of the Products under "ASH" and "JC" brands shall be for the terms of six years and ten years commencing from 21 March 2013, respectively.

Pursuant to the Distribution Agreement, the Group will also take over the operation of over 100 existing sales points of "ASH" and "JC" branded Products in the PRC. It is targeted that the total number of sales points of the Products in the PRC will reach 200 in the next three years.

INFORMATION ABOUT THE SUPPLIERS

The Suppliers are principally engaged in the design, development, manufacture and wholesale of mid-to-premium women's footwear. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Suppliers and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE DISTRIBUTION AGREEMENT

The Company is an investment holding company and its subsidiaries are principally engaged in the design, manufacture and sale of branded women's footwear in the PRC. Currently, the Group retails shoes under its self-developed brands, namely "C.banner", "EBLAN", "sundance" and "MIO", as well as under its licensed "naturalizer" brand. It has been one of the Group's strategies to expand its brand portfolio by introducing new brands targeting mid-to-premium footwear market. The brand positions of "ASH" and "JC" are relatively higher as compared with the Group's existing brands. Therefore, the Group's distribution rights of "ASH" and "JC" branded Products could further enrich the Group's brand portfolio, which enables the Group to have a diverse brand portfolio offering a wide variety of products to meet a wide range of consumer needs, thereby enhancing the Group's market share and its influence in the women's footwear market in the PRC.

The Directors consider that the terms of the Distribution Agreement are on normal commercial terms which are fair and reasonable and the entering into of the Distribution Agreement is in the best interests of the Group and the Shareholders as a whole.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	C.banner International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Distribution Agreement”	the distribution agreement dated 21 March 2013 entered into between Nanjing Mayflower and the Suppliers in relation to the appointment of Nanjing Mayflower as a principal distributor of the Products in the PRC
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the PRC
“Nanjing Mayflower”	Mayflower (Nanjing) Enterprise Limited (美麗華企業(南京)有限公司), a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, which for the purposes of this announcement, shall not include Hong Kong, Macau and Taiwan
“Products”	women’s footwear bearing the “ASH” and “JC” trademarks respectively
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of US\$0.015 each
“Shareholders”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Suppliers”	Dongguan Highline United Trading Co., Ltd. (東莞高階貿易有限公司) and J.C. Leather Products (Dong Guan) Ltd. (東莞捷希皮革製品有限公司)
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
C.banner International Holdings Limited
Chen Yixi
Chairman

PRC, 21 March 2013

As at the date of this announcement, the executive Directors are Mr. CHEN Yixi, Mr. LI Wei, Mr. HUO Li and Mr. XU Tingyu; the non-executive Directors are Mr. MIAO Bingwen, Mr. HO Chi Kit (with Mr. LI Xinhui as his alternate) and Mr. WU Guangze; and the independent non-executive Directors are Mr. KWONG Wai Sun Wilson, Mr. XU Chengming, Mr. LI Xindan and Mr. ZHANG Zhiyong.