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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about 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 C.banner International Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or 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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## **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)**

### **PROPOSALS FOR GRANT OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of C.banner International Holdings Limited to be held at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 29 June 2020 at 10:00 a.m. is set out on pages 15 to 19 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.cbanner.com.cn](http://www.cbanner.com.cn). Whether or not you intend to attend the annual general meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Hong Kong share registrar of C.banner International Holdings Limited, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude a Shareholder from attending and voting in person at the annual general meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

#### **SPECIAL MEASURES FOR THE ANNUAL GENERAL MEETING**

Please note that the following measures will be implemented for the Annual General Meeting due to coronavirus ("COVID-19") pandemic (see page 8 for details):

- Compulsory temperature checks before entering the building where the Annual General Meeting will be held; those with a fever may not be admitted.
- Wearing of face masks is compulsory at any time within the meeting venue and throughout the Annual General Meeting.
- There will be no distribution of gifts and no refreshments.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 29 June 2020 at 10:00 a.m., or any adjournment thereof
“Board”	board of Directors
“Bye-laws”	the bye-laws in force from time to time of the Company
“Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time
“Company”	C.banner International Holdings Limited, an exempted company incorporated on 26 April 2002 in Bermuda with limited liability, with its shares listed on the main board of the Stock Exchange
“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with Shares not exceeding 20% of the number of the issued Shares as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	8 May 2020, 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, as amended from time to time
“Nomination Committee”	the nomination committee of the Board

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## DEFINITIONS

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“PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of the issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of US\$0.015 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. CHEN Yixi (*Chairman*)  
Mr. HUO Li  
Mr. YUAN Zhenhua (*President and  
Chief Financial Officer*)  
Mr. WAN Xianghua  
Mr. WU Weiming

*Registered office:*

Victoria Place  
5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

*Non-executive Director:*

Mr. MIAO Bingwen

*Principal place of business in Hong Kong:*

Unit 2904  
29th Floor  
Far East Finance Center  
16 Harcourt Road  
Hong Kong

*Independent non-executive Directors:*

Mr. KWONG Wai Sun Wilson  
Mr. LI Xindan  
Mr. ZHENG Hongliang

15 May 2020

*To the Shareholders*

Dear Sir or Madam

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

#### **INTRODUCTION**

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; and b) the re-election of the retiring Directors.

#### **ISSUE MANDATE**

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate. At the Annual General Meeting, an ordinary resolution no. 4 will be proposed to grant the Issue Mandate

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## LETTER FROM THE BOARD

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to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares up to 20% of the number of the issued Shares as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the number of issued Shares was 2,077,000,000 Shares. Subject to the passing of the ordinary resolution no. 4 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 415,400,000 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 6, the number of Shares repurchased by the Company under ordinary resolution no. 5 will be added to extend the 20% limit of the Issue Mandate as mentioned in the ordinary resolution no. 4 provided that such additional amount shall not exceed 10% of the number of the issued Shares as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares of the Company pursuant to the Issue Mandate.

### **REPURCHASE MANDATE**

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of the issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

### **RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Bye-law 102(B) of the Bye-laws, any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the next following general meeting/annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Mr. Wan Xianghua and Mr. Wu Weiming who were appointed by the Board on 29 November 2019 shall retire from office and offered themselves for re-election at the Annual General Meeting.

In accordance with Bye-law 99 of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation. A retiring Director shall be eligible for re-election. Accordingly, Mr. Yuan Zhenhua, Mr. Li Xindan and Mr. Zheng Hongliang shall retire by rotation, and being eligible, offered themselves for re-election at the Annual General Meeting.

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## LETTER FROM THE BOARD

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### Procedure and Process for Nomination of Directors

The Nomination Committee will recommend to the Board for the appointment of a Director in accordance with the following procedures and process:

- i. The Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- ii. The Nomination Committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, referrals from a third party agency firm and proposals from Shareholders with due consideration given to (including but not limited to) the following factors:
  - (a) diversity in aspects, among other things, gender, age, cultural and educational background, expertise, skills, know-how and length of service;
  - (b) commitment for responsibilities of the Board in respect of available time and relevant interest;
  - (c) qualifications, including accomplishment and experience in the relevant industries the Company's business is involved in;
  - (d) independence;
  - (e) reputation for integrity;
  - (f) potential contributions that the individual(s) can bring to the Board; and
  - (g) plan(s) in place for the orderly succession of the Board.
- iii. The Nomination Committee may adopt any process it deems appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third-party reference checks;
- iv. The Nomination Committee will consider a broad range of candidates who are in and outside of the Board's circle of contacts;
- v. Upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to submit the recommendation of appointment to the Board;
- vi. The Nomination Committee will provide the relevant information of the selected candidate to the Remuneration Committee for consideration of the remuneration package of such selected candidate;

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## LETTER FROM THE BOARD

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- vii. The Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment, and the Remuneration Committee will make the recommendation to the Board on the policy and structure for the remuneration;
- viii. The Board may arrange for the selected candidate to be interviewed by the members of the Board who are not members of the Nomination Committee and the Board will thereafter deliberate and decide the appointment as the case may be;
- ix. The Board shall recommend to the Shareholders the qualified directors to participate in the election in respect of the recommendation of electing a director on the general meeting; and
- x. All appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be) to be filed with the relevant regulatory authorities, if required.

### **Recommendation of the Nomination Committee**

The Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2019 based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all of them, including Mr. Kwong Wai Sun Wilson, Mr. Li Xindan and Mr. Zheng Hongliang, remain independent.

The Nomination Committee is also of the view that the Directors who are proposed to be subject to re-election at the Annual General Meeting would bring to the Board their own perspective, skills and experience, as further described in their biographies in Appendix I to this circular. Based on the board diversity policy adopted by the Company, the Nomination Committee considers that each of the Directors who will be subject to re-election (namely Mr. Yuan Zhenhua, Mr. Wan Xianghua, Mr. Wu Weiming, Mr. Li Xindan and Mr. Zheng Hongliang) (collectively, the “Retiring Directors”) can contribute to the diversity of the Board, in particular, with their strong and diversified educational background and professional experience in their expertise, including their in-depth knowledge in accounting, compliance, financial management, investor relations, investments strategies, international experience and connections in various industries.

In addition, the Nomination Committee had evaluated the performance of each of the Retiring Directors for the year ended 31 December 2019 and found their performance satisfactory. Therefore, the Nomination Committee nominated the Retiring Directors to the Board for it to propose to Shareholders for re-election at the Annual General Meeting. Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the Retiring Directors stand for re-election as Directors at the Annual General Meeting.



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## LETTER FROM THE BOARD

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Information about the Board's composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the general meetings of the Directors (including the Retiring Directors) is disclosed in the biographies of Directors and Corporate Governance Report of the 2019 annual report of the Company.

Brief biographical and other details of the Retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

### **NOTICE OF ANNUAL GENERAL MEETING**

Set out on the pages 15 to 19 of this circular is the notice of the Annual General Meeting containing, inter alia, ordinary resolutions in relation to granting the Directors the Issue Mandate and the Repurchase Mandate and approving the re-election of the Retiring Directors.

### **FORM OF PROXY**

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.cbanner.com.cn](http://www.cbanner.com.cn). Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the Company's Hong Kong 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 holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

### **VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll pursuant to Bye-law 70 of the Bye-laws.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for each share registered in his/her name in the register. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Issue Mandate and the Repurchase Mandate and approving the re-election of the Retiring Directors are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

### PRECAUTIONS IN LIGHT OF COVID-19 PANDEMIC

In order to protect attending Shareholders and staff of the Company from the risk of infection of COVID-19, the Company will implement the following precautionary measures at the Annual General Meeting:

- Compulsory temperature checks for every attending Shareholder, proxy or other attendee at the entrance to the building where the Annual General Meeting will be held. Any person with a fever or is unwell may be denied entry into the meeting venue.
- Any person who does not comply with the precautionary measures may be denied entry into the meeting venue. Health declaration may be required.
- All attendees have to wear face masks within the meeting venue and throughout the meeting.
- There will be no distribution of gifts and no refreshments will be served.
- Appropriate seating spacing will be implemented to ensure safe distancing among attendees.

The Company also reminds Shareholders that attendance at the Annual General Meeting in person is not necessary for the purpose of exercising voting rights. Shareholders may consider appointing the chairman of the Annual General Meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

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

Brief biographical and other details of Mr. Yuan Zhenhua, Mr. Wan Xianghua, Mr. Wu Weiming, Mr. Li Xindan and Mr. Zheng Hongliang who are proposed to be re-elected at the Annual General Meeting are set out as follows:

#### **Executive Directors**

**Mr. Yuan Zhenhua** (袁振華), aged 38, was appointed as an executive Director on 12 December 2016. He is also the President and Chief Finance Officer of the Company. He obtained a Bachelor's Degree in Accounting from Nanjing University of Aeronautics and Astronautics in 2005. Mr. Yuan is currently a non-practicing member of the PRC Certified Public Accountant Association. From 2005 to 2015, he held various positions in the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch, including being senior manager of the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch.

Mr. Yuan has entered into a service agreement with the Company for a term of three years commencing from 12 December 2019 subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. He is entitled to emolument of RMB1,400,000 per annum, as determined by the Board with reference to the fees paid by comparable companies, his time commitment and responsibilities and the Company's performance.

**Mr. Wan Xianghua** (萬祥華), aged 51, was appointed as an executive Director on 29 November 2019. He is also the vice president of the Group. Mr. Wan joined the Group in 1996, and is currently responsible for the operation of natursun brand and the design, research and development and procurement of MIO brand and supply chain management. Mr. Wan has served as a committee member of the National Technical Committee on Footwear of Standardization Administration of China (中國製鞋標準化技術委員會) since 2008 and has been a professor specializing in footwear manufacturing at Guangling College of Yangzhou University (揚州大學廣陵學院) since 2010. Mr. Wan also holds a certificate of first level footwear designer.

Mr. Wan has entered into a service agreement with the Company for an initial term of three years commencing from 29 November 2019 subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Wan is entitled to emolument of RMB1,000,000 per annum, as determined by the Board with reference to the fees paid by comparable companies, time commitment and responsibilities of Mr. Wan and the Company's performance.

As at the Latest Practicable Date, Mr. Wan had 529,000 shares of the Company, representing approximately 0.025% of the total issued share capital of the Company.

**Mr. Wu Weiming** (吳維明), aged 48, was appointed as an executive Director on 29 November 2019. He is also the vice president of the Group. Mr. Wu joined the Group in 2000, and is currently responsible for the retail operations of the Group. Prior to joining the

Group, Mr. Wu had served with Shenzhen Zhen Xing Footwear Company (深圳珍興鞋業公司) since 1997 and was the general manager of East China Branch of the company when he left the company in 2000.

Mr. Wu has entered into a service agreement with the Company for an initial term of three years commencing from 29 November 2019 subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Wu is entitled to emolument of RMB1,000,000 per annum, as determined by the Board with reference to the fees paid by comparable companies, time commitment and responsibilities of Mr. Wu and the Company's performance.

As at the Latest Practicable Date, Mr. Wu had 50,000 shares of the Company, representing approximately 0.002% of the total issued share capital of the Company.

#### **Independent Non-Executive Directors**

**Mr. Li Xindan** (李心丹), aged 53, has been an independent non-executive Director since 26 August 2011. He is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company. Mr. Li currently holds several positions with Nanjing University, including the director of the Academic Committee and the Anzhong Chair Professor of the School of Management Science and Engineering of Nanjing University, the director of the Financial Engineering Research Center and the executive director of the Venture Capital Research and Development Center of the university. Mr. Li graduated from Fudan University in 1988 with a Bachelor's Degree in Management Science as well as a Bachelor's Degree in Economics. He further obtained a Doctor's Degree in Finance from Fudan University in 1999. Mr. Li joined the Southeast University as an assistant professor in 1988 and was promoted to an associate professor and a professor in 1993 and 1999, respectively. Then Mr. Li joined Nanjing University as a professor in 2001. Mr. Li was an independent non-executive director of Holly Futures Co., Ltd, a company listed on the Stock Exchange (stock code: 3678) until 15 November 2018.

Mr. Li has entered into a letter of appointment with the Company for a term commencing from 1 January 2018 to 31 December 2020, which is terminable by the Company by serving not less than one month's written notice and is subject to the retirement by rotation in accordance with the Bye-laws. He is entitled to receive a director's fee of HK\$200,000 per annum as determined by the Board with reference to the prevailing market conditions, his experience, responsibility, workload and fees paid by the comparable companies.

**Mr. Zheng Hongliang** (鄭紅亮), aged 61, has been an independent non-executive Director since 23 April 2014. He is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. Mr. Zheng is currently a professor of the Institute of Economics Chinese Academy of Social Science (中國社會科學院經濟研究所). Mr. Zheng was the executive vice-editor-in-chief of editorial office of Economic Research Journal (《經濟研究》), which is a PRC journal in economic theory research published by the Institute of Economics of Chinese Academy of Social Science. Mr. Zheng's field of research mainly covers the areas in respect of microeconomics, comparative

study of corporate system, theory of corporate governance, and revolution of state enterprises. Mr. Zheng graduated from the Department of Economic of Renmin University of China with a Master Degree in 1987. Mr. Zheng is currently an independent non-executive director of Asian Capital Resources (Holdings) Limited (stock code: 8025), a company listed on GEM of the Stock Exchange.

Mr. Zheng has entered into an appointment letter with the Company for a term of three years commencing from 23 April 2018 subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Zheng is entitled to receive a director's fee of HK\$200,000 per annum which is determined with reference to the fees paid by comparable companies, his time commitment and responsibilities and the Company's performance.

Save as disclosed herein, as at the Latest Practicable Date, and to the best knowledge and belief of the Board, the Directors confirmed that:

- (a) each of the Retiring Directors did not have any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company;
- (b) the Retiring Directors did not have any interest in the Shares which were required to be disclosed under Part XV of the SFO;
- (c) the Retiring Directors did not hold any other position with the Company or any other member of the Group, nor had any directorships in other listed companies in the past three years;
- (d) there is no other information relating to the re-election of the Retiring Directors which is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules; and
- (e) the Company is not aware of any other matter relating to the re-election of the Retiring Directors that needs to be brought to the attention of the Shareholders.

*The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules to provide all the requisite information in relation to the proposed Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the number of issued Shares was 2,077,000,000 Shares with nominal value of US\$0.015 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 207,700,000 Shares, which represent 10% of the number of issued Shares as at the date of the passing of the resolution granting the Repurchase Mandate, during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the Bye-laws; or (iii) the date on which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

## **REASONS AND FUNDING OF REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for such purpose and in accordance with the Company's memorandum of association, the Bye-laws, the Listing Rules, the Companies Act and any other applicable laws and regulations of Bermuda.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2019, being the date to which the latest published audited consolidated financial statements of the Company were made up. 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 or on the gearing levels of the Company.

**GENERAL**

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum of association and the Bye-laws and the applicable laws of Bermuda.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Repurchase Mandate is approved by the Shareholders.

**TAKEOVERS CODE**

If as a result of a repurchase of 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. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Chen Yixi ("Mr. Chen") through his wholly owned companies, Hongguo International Group Limited and Orchid Valley Holdings Limited, was interested in 748,940,000 Shares, representing an approximate of 36.06% of the existing issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, Mr. Chen's interests in the Company through Hongguo International Group Limited and Orchid Valley Holdings Limited would be increased to approximately 40.07% of the issued share capital of the Company and such increase would give rise to an obligation to make a mandatory general offer under the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent it will trigger the obligations under the Takeovers Code for the Controlling Shareholders to make a mandatory offer.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

**SHARE REPURCHASE MADE BY THE COMPANY**

No repurchase of Shares (whether on the Stock Exchange or otherwise) had been made by the Company in the last six months prior to the Latest Practicable Date.

**SHARE PRICES**

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date:

<b>Month</b>	<b>Highest prices <i>HK\$</i></b>	<b>Lowest prices <i>HK\$</i></b>
<b>2019</b>		
May	0.415	0.300
June	0.395	0.310
July	0.365	0.310
August	0.350	0.243
September	0.290	0.214
October	0.470	0.265
November	0.275	0.222
December	0.238	0.176
<b>2020</b>		
January	0.270	0.139
February	0.209	0.141
March	0.189	0.125
April	0.165	0.107
May (up to the Latest Practicable Date)	0.150	0.150



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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Annual General Meeting**”) of C.banner International Holdings Limited (the “**Company**”) will be held at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Monday, 29 June 2020 at 10:00 a.m. for the following purposes:

#### **Ordinary business**

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 December 2019.
2.
  - (a) To re-elect Mr. Yuan Zhenhua as an executive director;
  - (b) To re-elect Mr. Wan Xianghua as an executive director;
  - (c) To re-elect Mr. Wu Weiming as an executive director;
  - (d) To re-elect Mr. Li Xindan as an independent non-executive director;
  - (e) To re-elect Mr. Zheng Hongliang as an independent non-executive director;  
and
  - (f) To authorise the board of directors of the Company to fix the remuneration of the directors.
3. To re-appoint ZHONGHUI ANDA CPA Limited as auditor of the Company and authorise the board of directors of the Company to fix their remuneration.

#### **Special business**

To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

4. “**That:**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible

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## NOTICE OF ANNUAL GENERAL MEETING

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securities of the Company and to make or grant offers, agreements and/ or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (a) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/ or other eligible participants of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20% of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:–
  - (i) **“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:–
    - (1) the conclusion of the next annual general meeting of the Company;
    - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the bye-laws of the Company to be held; or
    - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) “**Rights Issue**” means an offer of shares in the capital of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares of the Company (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5. “**That:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) or any other stock exchange (as applicable) as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the shares of the Company which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of the issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:–

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. “**That** conditional upon the resolutions numbered 4 and 5 set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4 set out in this notice be and is hereby extended by the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 5 set out in this notice, provided that such extended amount shall not exceed 10% of the number of the issued shares of the Company as at the date of passing of this resolution.”

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

Hong Kong, 15 May 2020

*Registered office:*  
Victoria Place  
5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

*Principal place of business in Hong Kong:*  
Unit 2904, 29th Floor  
Far East Finance Center  
16 Harcourt Road  
Hong Kong

*Notes:*

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company.
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iv) The register of members of the Company will be closed from Tuesday, 23 June 2020 to Monday, 29 June 2020, both days inclusive, to determine the identity of the shareholders who are entitled to attend the Annual General Meeting to be held on Monday, 29 June 2020. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 22 June 2020.
- (v) Details of the retiring directors, namely Mr. Yuan Zhenhua, Mr. Wan Xianghua, Mr. Wu Weiming, Mr. Li Xindan and Mr. Zheng Hongliang are set out in Appendix I to the accompanied circular dated 15 May 2020.

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- (vi) In respect of the ordinary resolution numbered 4 above, the directors of the Company wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.
  
- (vii) In respect of ordinary resolution numbered 5 above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 15 May 2020.