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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)**

#### **ACQUISITION OF TRADEMARKS**

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 7 February 2013, the Company as assignee entered into two Trademarks Assignment Agreements with Shanghai Eve NY and Intewell as assignors, respectively, pursuant to which the Assignors agreed to assign the Trademarks to the Company at an aggregate consideration of US\$2,300,000.

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#### **TRADEMARKS ASSIGNMENT AGREEMENTS**

##### **Date**

7 February 2013

##### **Parties**

##### ***Trademarks Assignment Agreement A***

- (i) the Company as assignee
- (ii) Shanghai Eve NY as assignor

## ***Trademarks Assignment Agreement B***

- (i) the Company as assignee
- (ii) Intewell as assignor

### **Subject Matters and Consideration**

Pursuant to the Trademarks Assignment Agreements, the Assignors agreed to assign the Trademarks to the Company at an aggregate consideration of US\$2,300,000, which is payable by the Company in the following manner:

- (i) a total deposit of US\$220,000 shall be paid to the Assignors within ten business days from the date of the Trademarks Assignment Agreements;
- (ii) a total further deposit of US\$830,000 shall be paid to the Assignors upon the trademark authorities' acceptance of the application for assignment of the Trademarks; and
- (iii) the balance of the aggregate consideration of US\$1,250,000 shall be paid to the Assignors upon the Company having become the registered owner of the Trademarks.

The aggregate consideration payable to the Assignors pursuant to the Trademarks Assignment Agreements is intended to be funded by internal resources of the Group. The aggregate consideration for the Trademarks under the Trademarks Assignment Agreements was determined after arm's length negotiation between the Company and the Assignors, having taken into consideration the brand recognition attached to "BADGLEY MISCHKA" and "MARK & JAMES", the territory coverage of the Trademarks and the expected synergy effect that may be brought by the Trademarks to the Group's business development.

The Directors, including the independent non-executive Directors, consider that the aggregate consideration for the Trademarks is fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

### **Completion**

Completion of assignment of the Trademarks is subject to completion of requisite registration procedures in and/or granting of approvals by the relevant trademark authorities in the PRC, Hong Kong, Macau or Taiwan (as the case may be) for such assignments. Pursuant to the Trademarks Assignment Agreements, the Assignors have consented to the use of the Trademarks by the Company for nil consideration at any time prior to completion of the assignments. In addition, in the event that completion of the assignments of the Trademarks does not take place within 30 months from the date of the Trademarks Assignment Agreements, the Company is entitled to terminate the Trademarks Assignment Agreements and the Assignors shall forthwith refund to the Company the deposit(s) paid by the Company under the Trademarks Assignment Agreements, together with interest of 8% per annum calculated based on the actual number of days elapsed.

## **INFORMATION ABOUT THE ASSIGNORS AND THE TRADEMARKS**

Intewell is an investment holding company; and Shanghai Eve NY is principally engaged in manufacture and sale of apparel, footwear products, leather goods and accessories. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Shanghai Eve NY and Intewell and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Trademarks to be assigned to the Company under the Trademarks Assignment Agreements represent certain trademarks and logos relating to "BADGLEY MISCHKA" and "MARK & JAMES" brands, which are registered in the PRC, Hong Kong, Macau and Taiwan. Only Class 18 for wallets, bags and travel bags and/or Class 25 for footwear products of the Trademarks will be assigned to the Company pursuant to the Trademarks Assignment Agreements.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE TRADEMARKS ASSIGNMENT AGREEMENTS**

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 footwear under its self-developed brands, namely "C.banner", "EBLAN", "FABIOLA", "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.

"BADGLEY MISCHKA" and "MARK & JAMES" are recognized brands in the global apparel market. The "BADGLEY MISCHKA" and "MARK & JAMES" branded apparel products have been launched in the PRC with retail outlets located in first-tier cities.

"BADGLEY MISCHKA" is a well-known fashion brand in the United States co-founded by American designers, Mark Badgley and James Mischka, in 1988. Its products include evening dresses, dress suits, perfume, handbags, footwear and glasses, which are famous for their elegant and gorgeous style. "BADGLEY MISCHKA" was selected as one of the top ten United States brands by "Vogue" magazine in 2005 and has great influence in the global apparel market.

"MARK & JAMES", as a sub-brand, is a ladies fashion brand launched by "BADGLEY MISCHKA" in 2009, which is famous for its avant-garde style, emphasis on personality and pursuit of fashion and has leading position in the European and American ladies fashion market.

The Company considers that the above may create synergy to the launch of women's footwear products and handbags under "BADGLEY MISCHKA" and "MARK & JAMES" brands by the Group in the future. The Company believes that the brand value of "BADGLEY MISCHKA" and "MARK & JAMES" could enhance the brand image of the Group. The women's footwear market of the PRC still has huge potential and with the ownership rights of the footwear and handbag brands of "BADGLEY MISCHKA" and "MARK & JAMES" which target at mid-to-high end market and are recognized by the global apparel market, it would provide good opportunity for the Group to continue to expand its business in the mid-to-high end women's footwear market of the PRC and enhance its influence in the women's footwear market of the PRC.

## DEFINITIONS

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

|                       |   |
|-----------------------|---|
| “Assignors”           | Shanghai Eve NY and Intewell  |
| “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  |
| “Group”               | the Company and its subsidiaries  |
| “Hong Kong”           | Hong Kong Special Administrative Region of the PRC  |
| “Intewell”            | Intewell Limited, a company incorporated in the Cayman Islands and the owner of the Offshore Trademarks   |
| “Listing Rules”       | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “Macau”               | Macau Special Administrative Region of the PRC  |
| “Offshore Trademarks” | the trademarks owned by Intewell relating to “BADGLEY MISCHKA” and “MARK & JAMES” brands under Class 18 for wallets, bags and travel bags and/or under Class 25 for footwear products registered in Hong Kong, Macau and Taiwan to be assigned to the Company pursuant to the Trademarks Assignment Agreement B |
| “PRC”                 | the People’s Republic of China, which for the purposes of this announcement, shall not include Hong Kong, Macau and Taiwan  |
| “PRC Trademarks”      | the trademarks owned by Shanghai Eve NY relating to “BADGLEY MISCHKA” and “MARK & JAMES” brands under Class 18 for wallets, bags and travel bags and/or under Class 25 for footwear products registered in the PRC to be assigned to the Company pursuant to the Trademarks Assignment Agreement A              |
| “SFO”                 | the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)  |

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|-------------------------------------|--|
| “Shanghai Eve NY”                   | 上海伊芙心悅服飾有限公司 (Shanghai Eve NY Apparel Limited#), a company established in the PRC and the owner of the PRC Trademarks  |
| “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  |
| “Trademarks”                        | the PRC Trademarks and the Offshore Trademarks   |
| “Trademarks Assignment Agreement A” | the agreement dated 7 February 2013 and entered into between the Company and Shanghai Eve NY in relation to the assignment of the PRC Trademarks from Shanghai Eve NY to the Company |
| “Trademarks Assignment Agreement B” | the agreement dated 7 February 2013 and entered into between the Company and Intewell in relation to the assignment of the Offshore Trademarks from Intewell to the Company          |
| “Trademarks Assignment Agreements”  | the Trademarks Assignment Agreement A and the Trademarks Assignment Agreement B  |
| “US\$”                              | United States dollars, the lawful currency of the United States of America   |
| “%”                                 | per cent   |

# *The English name is translated for reference only.*

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

PRC, 7 February 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.*