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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)

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that it has approved the adoption of the Share Award Scheme on 31 August 2015 to recognise the contributions of certain Employees and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

The Board shall not make any further award of Awarded Shares which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time.

The maximum number of shares which may be awarded to a Selected Employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules. No shareholders' approval is required to adopt the Share Award Scheme.

The Board is pleased to announce that it has approved the adoption of the Share Award Scheme on 31 August 2015. A summary of the principal terms of the Share Award Scheme is set out in this announcement.

THE SHARE AWARD SCHEME

Purpose and Objectives

The purpose of the Share Award Scheme is to recognise the contributions of certain Employees and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

Administration

The Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Share Award Scheme and the terms of the Trust Deed. The Trustee shall hold the Trust Fund in accordance with the terms of the Trust Deed.

Operation of the Share Award Scheme

Contribution of funds to the Trust

The Company may from time to time cause to be paid a Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or such other Subsidiary as directed by the Company which shall constitute part of the Trust Fund, for the purchase of Shares and other purpose set out in the Scheme Rules and the Trust Deed. The Company may from time to time instruct the Trustee to purchase Shares on the Stock Exchange. Once purchased, the Shares are to be held by the Trustee for the benefit of the Selected Employees under the Trust. On each occasion when the Company instructs the Trustee to purchase Shares on the Stock Exchange, the Company shall specify the maximum amount of funds to be used and the range of prices at which such Shares are to be purchased. The Trustee may not incur more than the maximum amount of funds or purchase any Shares at a price falling outside the range of prices so specified unless with the prior written consent of the Company.

In case of allotting and issuing new Shares as Awarded Shares, the Company shall comply with the relevant applicable provisions of the Listing Rules. The Company intends to use the general mandate available at the time of granting the Awarded Shares for the issue and allotment of new Awarded Shares. Applications for the listing of and permission to deal in the new Awarded Shares will be made to the Stock Exchange when the Award is granted.

Award of Awarded Shares to Selected Employees

Subject to the provisions of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any Employee (other than any Excluded Employee) for participation in the Share Award Scheme as a Selected Employee, and grant such number of Awarded Shares to any Selected Employee at no consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

In determining the number of Awarded Shares to be granted to any Selected Employee (excluding any Excluded Employee), the Board shall take into consideration matters including, but without limitation to:

- (a) the present contribution and expected contribution of the relevant Selected Employee to the profits of the Group;
- (b) the general financial condition of the Group;
- (c) the Group's overall business objectives and future development plan; and
- (d) any other matter which the Board considers relevant.

The Board is entitled to impose any conditions (including a period of continued service within the Group after the Award), as it deems appropriate in its absolute discretion with respect to the vesting of the Awarded Shares on the Selected Employee, and shall inform the Trustee and such Selected Employee the relevant conditions of the Award and the Awarded Shares.

Where any grant of Awarded Shares is proposed to be made to any Selected Employee who is an executive Director, such grant must first be approved by the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, it must first be approved by the other members of the Remuneration Committee.

Where any grant of Awarded Shares is proposed to be made to any person who is a Connected Person of the Company, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

Vesting of Awarded Shares

Subject to the terms and condition of the Share Award Scheme and the fulfillment of all vesting conditions (if any) to the vesting of the Awarded Shares on such Selected Employee as specified in the Scheme Rules and the grant notice (as the case may be), the respective Awarded Shares held by the Trustee on behalf of the Selected Employee pursuant to the provision hereof shall vest in such Selected Employee in accordance with the vesting schedule as set out in the grant notice, and the Trustee shall cause the Awarded Shares to be transferred to such Selected Employee (or his/her wholly-owned corporation) on the Vesting Date.

Prior to the Vesting Date, any Award made hereunder shall be personal to the Selected Employee to whom it is made and shall not be assignable and no Selected Employee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares referable to him/her pursuant to such Award.

The Board may at its discretion, with or without further conditions, grant additional Shares or cash award out of the Trust Fund representing all or part of the income or distributions (including but not limited to cash income or dividends, cash income or net proceeds of sale of non-cash and non-scrip distribution, bonus Shares and scrip dividends) declared by the Company or derived from such Awarded Shares during the period from the date of Award to the Vesting Date to a Selected Employee upon the vesting of any Awarded Shares.

Other Terms and Conditions

The Trustee shall not exercise the voting rights in respect of any Shares held by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip dividends derived therefrom) in any general meetings of the Company, unless specific voting instructions were received from the Board prior to the general meetings, in which case the Trustee shall then execute such proxy form or authorisation documents as the Board may direct for such purpose.

No Award shall be made by the Board and no instructions to acquire any Shares shall be given to the Trustee under the Share Award Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise prior to the Vesting Date, the Board shall give directions to the Trustee with respect to whether such Awarded Shares shall vest in the Selected Employee and the time at which such Awarded Shares shall vest.

In the event the Company undertakes a subdivision or consolidation of the Shares, such Selected Employee shall be entitled to those Awarded Shares as so subdivided or consolidated and the Board shall as soon as reasonably practicable after such subdivision or consolidation has been effected, notify each such Selected Employee of the number of Awarded Shares that he/she has become entitled to on vesting after such subdivision or consolidation (as the case may be). Fractional shares as a result of consolidation of Shares which are held by the Trustee shall be held as part of the Trust Fund.

Limit of the Share Award Scheme

The Board shall not make any further award of Awarded Shares which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding ten (10) percent of the issued share capital of the Company from time to time.

The maximum aggregate nominal value of Awarded Shares which may be awarded to a Selected Employee under the Share Award Scheme shall not exceed one (1) percent of the issued share capital of the Company at the date of such Award.

Alternation of the Share Award Scheme

The Share Award Scheme may be amended in any respect by a resolution of the Board provided that no such amendment shall operate to affect materially and adversely any subsisting rights of any Selected Employee.

Written notice of any amendment to the Share Award Scheme shall be given to all Selected Employees and the Trustee.

Termination

The Share Award Scheme shall terminate on the earlier of:

- (a) the tenth (10th) anniversary date of the Adoption Date; and
- (b) such date of early termination of the Share Award Scheme as determined by the Board by a resolution of the Board,

provided that such termination shall not affect any subsisting rights of any Selected Employee hereunder.

Implication under the Listing Rules

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules. No Shareholders' approval is required to adopt the Share Award Scheme, and this announcement is made by the Company on a voluntary basis.

DEFINITIONS

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| “Adoption Date” | 31 August 2015, being the date on which the Share Award Scheme is adopted by the Company; |
| “Award” | an award of Awarded Shares by the Board to a Selected Employee pursuant to the Scheme Rules; |
| “Awarded Share(s)” | in respect of a Selected Employee, such number of Shares awarded by the Board; |
| “Board” | the board of directors of the Company; such committee or such sub-committee or person(s) delegated with the power and authority by the board of directors of the Company to administer the Share Award Scheme; |

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| “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; |
| “Connected Person” | has the meaning ascribed to such term in the Listing Rules; |
| “Contributed Amount” | cash paid or made available to the Trust by way of settlement or otherwise contributed by the Company and/or its subsidiaries as permitted under the Share Award Scheme to the Trust as determined by the Company from time to time; |
| “Director” | directors of the Company; |
| “Employee” | any individual being an employee (including but without limitation to any executive Director) of any member of the Group at any time during the duration of the Share Award Scheme; |
| “Excluded Employee” | any Employee who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Employee; |
| “Group” | the Company and its Subsidiaries and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy from time to time, and “member of the Group” means any or a specific one of them; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange; |
| “Remuneration Committee” | remuneration committee of the Company; |
| “Scheme Rules” | the rules to the Share Award Scheme in its present or any amended form; |
| “Selected Employee” | Employee(s) selected by the Board for participation in the Share Award Scheme; |

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| “Shares” | ordinary shares of US\$0.015 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time); |
| “Share Award Scheme” | the “C.banner Share Award Scheme”; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Subsidiary” | has the meaning ascribed to such term in the Listing Rules; |
| “Trust” | the trust constituted by the Trust Deed; |
| “Trust Deed” | A trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time); |
| “Trust Fund” | the funds and properties held under the Trust and managed by the Trustee for the benefit of the Employees (other than the Excluded Employees); |
| “Trustee” | Bank of Communications Trustee Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed; and |
| “Vesting Date” | in respect of a Selected Employee, the date on which his entitlement to the Awarded Shares is vested in such Selected Employee. |

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

PRC, 31 August 2015

As at the date of this announcement, the executive Directors are Mr. CHEN Yixi, Mr. ZHAO 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 Director) and Mr. WU Guangze; and the independent non-executive Directors are Mr. KWONG Wai Sun Wilson, Mr. LI Xindan, Mr. ZHANG Zhiyong and Mr. ZHENG Hongliang.