

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

VOLUNTARY ANNOUNCEMENT

ESTABLISHMENT OF A JOINT VENTURE COMPANY

This is a voluntary announcement made by C.banner International Holdings Limited.

The Company is pleased to announce that on 19 May 2017, Xuzhou C.banner, an indirect wholly-owned subsidiary of the Company, entered into the JV Agreement with Madden Asia for the establishment of the JV Company. The JV Company is owned as to 50% by Xuzhou C.banner and as to 50% by Madden Asia.

This is a voluntary announcement made by C.banner International Holdings Limited.

THE JV AGREEMENT

The Company is pleased to announce that on 19 May 2017, Xuzhou C.banner, an indirect wholly-owned subsidiary of the Company, entered into the JV Agreement with Madden Asia for the establishment of the JV Company. The JV Company is owned as to 50% by Xuzhou C.banner and as to 50% by Madden Asia. The initial registered capital of the JV Company is US\$5.1 million. Pursuant to the JV Agreement, the registered capital of the JV Company may further be increased to up to US\$30.1 million. The initial registered capital and the increased registered capital, if any, shall be contributed by Xuzhou C.banner and Madden Asia on a pro rata basis.

On 19 May 2017, Madden International, the holding company of Madden Asia, entered into a trademark sublicense agreement with the JV Company to grant the JV Company an exclusive, non-transferable, non-assignable, limited right and sublicense to use the Marks in the PRC solely in connection with the promotion, marketing, sale and distribution of the Products bearing the Marks in the PRC.

The JV Company is principally engaged in the business of promoting, marketing, sales and distribution of Products bearing the Marks of “STEVE MADDEN” in the PRC. The JV Company will promote, distribute and sell the Products under the Marks through integration of both online and offline channels. Based on the current business plan, it is expected that the JV Company will open around 150 points of

sale for “STEVE MADDEN” Products in the PRC by end of 2020. In addition, the JV Company will sell the “STEVE MADDEN” Products through multiple online sales platforms, including the brand’s official website and online platforms operated by third parties.

INFORMATION OF MADDEN ASIA AND MADDEN INTERNATIONAL

Madden Asia and Madden International are principally engaged in distributing “STEVE MADDEN” products internationally.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Madden Asia, Madden International and their ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ESTABLISHMENT OF THE JV COMPANY AND THE ENTERING INTO OF THE TRADEMARK SUBLICENSE 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 and retail of toys across the globe through Hamleys. Currently, the Group retails footwear under its self-developed brands, namely “C.banner”, “EBLAN”, “sundance”, “MIO” and “Badgley Mischka”, as well as under its licensed brands, namely “ASH”, “JC Collezione” and “United Nude”. 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 Company believes the establishment of the JV Company and the entering into of the trademark sublicense agreement not only offer a valuable opportunity for the Group to further enhance the brand image of the Group in view of the brand value of “MADDEN” and “STEVE MADDEN”, but also enable the Group to further expand its business in the mid-to-high end footwear market of the PRC. In addition, the Company considers this will add synergy to the Group’s diversified brand portfolio and overall business, as well as assist the Group to enhance its market share and influence in the industry.

The Directors are of the view that the JV Agreement, the trademark sublicense agreement and the transactions contemplated thereunder are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As all the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the total capital commitment of the Group to the JV Company pursuant to the JV Agreement are below 5%, the entering into of the JV Agreement does not constitute any notifiable transaction for the Company under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

DEFINITIONS

In this announcement, unless the context otherwise requires, the terms used herein shall have the following meanings:

“Board”	the board of Directors
“Company”	C.banner International Holdings Limited, a company incorporated in Bermuda with limited liability with its shares 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”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“JV Agreement”	the joint venture agreement dated 19 May 2017 entered into between Xuzhou C.banner and Madden Asia in relation to the establishment of the JV Company
“JV Company”	SM (Jiangsu) Co., Ltd. (笙曼商貿(江蘇)有限公司), the joint venture company established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Madden Asia”	Madden Asia Holding Limited, a company incorporated in Hong Kong with limited liability
“Madden International”	Madden International Limited, a company incorporated in Hong Kong with limited liability and the holding company of Madden Asia
“Marks”	“MADDEN” and “STEVE MADDEN” along with variations thereof such as “MADDEN GIRL” and “STEVEN BY STEVE MADDEN”

“PRC”	the People’s Republic of China, for the purpose of this announcement, not including Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Products”	footwear for men, women and children; and handbags, purses, clutches, shoulder bags, totes, backpacks and pouches
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it by the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States
“Xuzhou C.banner”	Xuzhou C.banner Footwear, Ltd. (徐州千百度鞋業有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company

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

PRC, 2 June 2017

As at the date of this announcement, the executive directors are Mr. CHEN Yixi, Mr. ZHAO Wei, Mr. HUO Li and Mr. YUAN Zhenhua; the non-executive directors are Mr. MIAO Bingwen, Mr. WU Guangze and Mr. NGAN Wing Ho; and the independent non-executive directors are Mr. KWONG Wai Sun Wilson, Mr. LI Xindan, Mr. ZHANG Zhiyong and Mr. ZHENG Hongliang.