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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)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of C.banner International Holdings Limited (the “**Company**”) dated July 20, 2017 (the “**Announcement**”) in relation to the proposed issue of the Convertible Bonds under General Mandate and the Notes. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

Further to the information as disclosed in the Announcement, the Board wishes to provide potential investors and Shareholders with the following supplementary information.

Conversion Price Reset

The Subscription Agreement provides that the Conversion Price shall not in any event be lower than HK\$2.39 (subject to the adjustments events disclosed in the section “Other Adjustment Events” below), being the price which is the higher of 80% of (a) the closing price of the Shares on the date of the Subscription Agreement; and (b) the average closing price in the 5 trading days immediately prior to the date of the Subscription Agreement. Therefore, the lowest possible Conversion Price upon the occurrence of any Conversion Price Reset would be HK\$2.39.

Upon full conversion of the Convertible Bonds at the conversion price of HK\$2.39 per Conversion Share, a total of 162,761,506 Conversion Shares will be allotted and issued to the Subscriber. The 162,761,506 Conversion Shares will utilise approximately 39.2% of the General Mandate such that a total of 252,638,494 Shares will remain unissued under the General Mandate.

Other Adjustment Events

Apart from the Conversion Price Reset, the Conversion Price may from time to time be adjusted in accordance with the relevant provisions under terms and conditions of the Convertible Bonds upon the occurrence of the following events:

- (i) consolidation, subdivision or reclassification of the Shares;

- (ii) capitalization of profits or reserves (other than in lieu of a cash dividend);
- (iii) issue of Shares by way of a scrip dividend where the current market price exceeds the amount of the relevant cash dividend;
- (iv) capital distribution to the Shareholders;
- (v) rights issues of Shares or options over Shares (at less than the current market price);
- (vi) rights issues of other securities;
- (vii) issues of Shares or other issues of securities at less than the Conversion Price;
- (viii) modification of rights of conversion; and
- (ix) other offers to Shareholders.

While there may be change in the number of Conversion Shares if any of the above adjustment events is triggered, the Company considers that the above events triggering the adjustments of the conversion price are within its control and as such, the Company confirms that it will not take corporate actions that would result in the number of Conversion Shares exceeding the mandate limit under the General Mandate.

As completion of the Subscription Agreement is subject to the fulfilment and/or waiver of certain conditions set forth therein, the issue of the Convertible Bonds and the Notes may or may not proceed. Investors should exercise caution when dealing in the Shares. If in doubt, investors are recommended to consult their professional adviser(s).

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

Hong Kong, July 26, 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.