

C.banner International Holdings Limited
千百度國際控股有限公司

C.banner Introduces CCC, CVC and Mousse as Strategic Investors
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Development Strategy Gains Recognition from Investors

[18June 2012, Hong Kong] C.banner International Holdings Limited (“C.BANNER” or the “Company”, together with its subsidiaries, the “Group”, stock code: 1028), the second largest mid-to-premium women’s formal and casual footwear company in China, held a press conference today, giving details of CCC, CVC, and Mousse’s investment in the Group on 15 June 2012.

In relation to the issue of the Convertible Bonds in an aggregate principal amount of RMB189,024,450, each of CCC, CVC and Mousse severally agrees to subscribe for RMB18,902,445 (representing 9,687,600 Shares), RMB138,617,930 (representing 71,042,400 Shares) and RMB31,504,075 (representing 16,146,000 Shares), respectively, with a term of four years, at an initial Conversion Price of HK\$2.40 per Share. The according proceeds are intended to be used by the Company to fund future strategic pursuits and working capital requirements of the Group.

Mr. Chen Yixi, Chairman of C.BANNER, said, “To have CCC, CVC and Mousse as our shareholders is a rare opportunity. The three investors are very experienced in consumer and retail sectors both in China and globally. The transaction shows not only the appreciation of renowned institutional investors for the Group, but also their recognition for and confidence in the Group’s development strategy. Their extensive experience will offer more room for the Group’s development and help us implement our strategy, explore growth potential, and introduce international quality brands. In addition, the investment of the three companies will facilitate the optimization of the Group’s shareholding structure and financial position and enhance its corporate governance as well as operating transparency, allowing healthy and steady development.”

Mr. Francis Leung, Managing Partner and Chairman, Greater China of CVC, and Mr. William Ho, Partner of CVC, jointly commented, “We are very excited about our partnership with C.banner and look forward to working with management and other shareholders to continue growing the business. We seek to add value to the company in areas of brand building, network expansion, financial management, operational efficiency and corporate governance. We will also leverage CVC’s global network to help C.banner explore new business opportunities and expand its brand portfolio. We have identified a number of value creation initiatives to further improve the business and will work closely with management to jointly execute the business plan, bring the company to the next level and create sustainable value.”

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Commenting on the investment, **Mr. Jack Wu, Managing Partner of CCC**, said, “Our strategy is to invest in companies with promising prospect and sound management. We have become a strategic investor of C.BANNER because we hold a positive outlook for its business. With sound management as well as a proven track record, C.BANNER has a leading position in China’s premium women’s footwear market. We have great confidence in its visionary management, effective business model and growth strategy. We hope we can create strategic value for C.BANNER leveraging our experience as well as expertise.”

CVC invested in C.BANNER through China Champion Holdings Limited, an investment vehicle wholly owned by funds advised by CVC Asia Pacific Limited. CVC Capital Partners is a leading international private equity firm. Founded in 1981, CVC Capital Partners today has a network of 20 offices and some 250 employees throughout Europe, Asia and the US. CVC Capital Partners manages funds on behalf of over 300 investors including pension funds, financial institutions, sovereign wealth funds and other investors. To date, CVC Capital Partners has raised over US\$44 billion in funds and has completed over 290 investments in a wide range of industries and countries across the globe, with an aggregate transaction value of US\$167 billion. CVC Capital Partners Funds currently own over 60 companies worldwide, which generate over US\$127 billion in revenues and employ around 400,000 people.

CCC is under the management of China Consumer Capital Partners Ltd.. China Consumer Capital Partners Ltd. is a China-focused investment firm focusing on China consumer/retail industry investments. China Consumer Capital Partners Ltd. has extensive domestic and international industry resources and investment experience with strength in bringing strategic value to target companies.

Mousse is a private company managed by Mousse Partners, a New-York based private investment firm. In 2008, Mousse Partners established a Beijing office, and has been actively investing in Chinese consumer growth companies.

Mr. Chen concluded, “As a leading operator in China’s mid-to-premium women’s footwear market, C.BANNER has grown rapidly over the past few years and commands the second-highest market share. Looking ahead, the Group will have the support of CCC, CVC and Mousse in expanding its sales channels as well as brand portfolio, creating synergy, expanding its business through selective acquisitions and generating fruitful returns for shareholders. We look forward to cooperating with CCC, CVC and Mousse with their resources as well as network to expand our business in the China market and rise to the challenge for the next stage.”

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Photo of Mr. Li Wei , CEO, President and Executive Director of C.BANNER, Mr. Chen Yixi, Chairman of C.BANNER, Mr. William Ho, Partner of CVC, and Mr. Jack Wu, Managing Partner of CCC (From the left to the right).



Mr. Chen Yixi, Chairman of C.BANNER, delivered speech at the press conference.

About C.banner International Holdings Limited

C.banner International Holdings Limited(formerly known as “Hongguo International Holdings Limited”) is the second largest retailer of mid-to-premium women’s formal and casual footwear in China, and is engaged in the manufacturing and sales of women’s footwear with various designs. The Group manages five self-developed brands, namely “C.banner”, “EBLAN”, “Fabiola”, “sundance” and “MIO”, as well as licensed brand “naturalizer”, through an extensive distribution and retail network in mainland China. C.banner’s self-developed brands and licensed brands products are mainly distributed through department stores and independent retail stores in different cities, ranging from first-tier to third-tier cities in China. Furthermore, the Company also acts as an OEM or ODM manufacturer for international shoes companies dealing in export markets.

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