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**Maoye International Holdings Limited**

**茂業國際控股有限公司**

*(Incorporated in Cayman Islands with limited liability)*

(Stock Code: 848)

## **ACQUISITION OF PROPERTY**

This is an announcement made pursuant to Rule 13.09(1) of the Listing Rules

The Company is pleased to announce that, Zhongzhao, a wholly-owned subsidiary of the Company, is proposing to acquire the Target Property through the acquisition of 90% interests in Yibai Property. In that regard, Zhongzhao, the Vendor and Wuxi Department Store entered into the Share Transfer Agreement pursuant to which Zhongzhao has agreed to purchase from the Vendor 90.0% of the shares of Yibai Property for a consideration of RMB337,500,000.

The Target Property comprises a parcel of land of 16,700 square metres, the Wuxi Department Store Tower (a nine-storey building with a gross floor area of 25,135.7 square metres) and Wuxi Jiaodian Building (with a gross floor area of 12,556.8 square metres) thereon. Wuxi Department Store Tower was built more than 50 years ago and is situated at a prime location at the Zhongshan Road Commercial Street, the commercial and financial centre of Wuxi. The Target Property is situated at the north of Victory Plaza, Zhongshan Road, Wuxi City and connected to the exit of Subway Line 1 currently under construction. Zhongzhao plans to demolish the existing buildings in the Target Property in order to construct a department store complex. The Vendor and Wuxi Department Store will be responsible for the demolition of the said buildings. The Target Property is currently being transferred from Wuxi Department Store to Yibai Property.

Zhongzhao plans to develop and construct a shopping centre in the Department Store Complex on the Target Property and the shopping centre will have a gross floor area of approximately 93,000 square meters (inclusive of a 20,000 square meters underground area containing car parking spaces) and the apartments in the Department Store Complex will have a gross floor area of approximately 50,000 square meters. The department store in the Department Store Complex will be operated by the Company under the "Maoye" brand.

The final scale and gross floor area of the Department Store Complex will be determined by the final approval given by the planning department of Wuxi City. If the approved gross floor area for the Department Store Complex is less than 100,000 square meters in total, Zhongzhao has the right to terminate the Share Transfer Agreement without any liability.

Wuxi City is one of the focus cities of the Company in its development plan for its commercial potential. It is situated at the heart of the Yangtze River Delta economic circle and an integral part of the Shanghai metropolitan circle. It is a forerunner in Jiangsu province in terms of economic development and innovation. The acquisition of the target and development of the department store is in line with the Company's strategy of having at least 2 to 3 stores in the same city. The Company currently operates Wuxi Qingyang Store, a "Maoye" branded department store at Taihu Plaza Business District of Wuxi City. Accordingly, the new department store will enhance the economy of scale and further strengthen the Company's market presence in Wuxi City. The Directors believe that the acquisition of the target and the development of the department store will consolidate the Group's presence and business development in Wuxi City, increase the operation size of its core business and further enhance the Group's market position in Wuxi City.

## Definition

|                                   |  |
|-----------------------------------|--|
| <b>"Company"</b>                  | Maoye International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange;  |
| <b>"Group"</b>                    | the Company and its subsidiaries;  |
| <b>"PRC"</b>                      | The People's Republic of China;  |
| <b>"PRC Government"</b>           | The government of the People's Republic of China;  |
| <b>"RMB"</b>                      | Renminbi, the lawful currency in the PRC;  |
| <b>"Share Transfer Agreement"</b> | The agreement for the sale and purchase of 90% shares in Yibai entered into between Wuxi Department Store, Zhongzhao and the Vendor on 16 November 2009;   |
| <b>"Target Property"</b>          | a parcel of land located at the north of Victory Plaza, Zhongshan Road, Wuxi City with an area of approximately 16,700 square meters, currently Wuxi Department Store business tower (nine-storied with a gross floor area of 25,135.7 square metres) and Wuxi Jiaodian Building (with a gross floor area of 12,556.8 square metres) are built thereon and there is a demolished parcel of land in its surroundings; |
| <b>"Vendor"</b>                   | Shareholding Committee of Jiangsu Wuxi First Department Store Limited Corporate Union (江苏无锡第一百货(集团)有限公司工会) and 17  |

natural person shareholders;

**Wuxi Department Store**

Jiangsu Wuxi First Department Store (Group) Limited (江苏无锡第一百货(集团)有限公司), a company incorporated in the PRC which is owned by the Vendor;

**"Yibai Property"**

Wuxi Yibai Property Limited (无锡亿百置业有限公司), a company incorporated in the PRC which is owned by the Vendor;

**"Zhongzhao"**

Zhongzhao Investment Management Limited (中兆投资管理有限公司), a wholly-owned subsidiary of the Company.

By Order of the Board

**Maoye International Holdings Limited**

**Mr. Huang Mao Ru**

*Chairman*

19 November 2009, Hong Kong

*As at the date of this announcement, the executive Directors are Mr. HUANG Mao Ru, Mr. WANG Guisheng and Ms. WANG Fuqin. The non-executive Directors are Mr. ZHONG Pengyi and Mrs. HUANG Jingzhang. The independent non-executive Directors are Mr. CHOW Chan Lum, Mr. PAO Ping Wing and Mr. LEUNG Hon Chuen.*