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Maoye International Holdings Limited

茂業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 848)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF SHARES IN SHENYANG COMMERCIAL CITY
AND
RESUMPTION OF TRADING**

ACQUISITION OF SHARES IN SHENYANG COMMERCIAL CITY

Reference is made to the announcements issued by the Company dated 24 October 2008 and 13 November 2013 in respect of the acquisition of shares in Commercial City.

Zhongzhao Investment Management, a wholly owned subsidiary of the Company, has entered into the Agreement on 16 February 2014 pursuant to which Zhongzhao Investment Management has agreed to purchase from the Vendor 20,907,940 shares of Commercial City, representing 11.74% of the issued share capital of Commercial City for an aggregate consideration of RMB 206,988,606. Previously, Zhongzhao Investment Management has acquired in aggregate 12,904,084 shares of Commercial City from 1 November 2013 to 11 December 2013, representing approximately 7.24% of the issued share capital of Commercial City for an aggregate consideration of RMB105,424,333, through on-market purchases on the Shanghai Stock Exchange.

Through the Acquisition and the Previous Acquisitions, the Company has acquired a total of 33,812,024 shares of Commercial City in the last 12 months, representing approximately 18.98% of the issued share capital of Commercial City.

The Acquisition, together with the Previous Acquisition, constitute a discloseable transaction of the Company under Rule 14.07 of the Listing Rules. The Acquisition, together with the Previous Acquisition, are not subject to shareholders' approval of the Company under the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted from 9:00 a.m. on 17 February 2014 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange from 9:00 a.m. on 18 February 2014.

THE ACQUISITION

Parties:	Vendor: Shenyang Commercial City (Group) Co., Ltd. (瀋陽商業城(集團)有限公司)
	Purchaser: Zhongzhao Investment Management, a wholly owned subsidiary of the Company
Summary:	On 16 February 2014, Zhongzhao Investment Management entered into the Agreement with the Vendor. Pursuant to the Agreement, Zhongzhao Investment Management agreed to purchase from the Vendor 20,907,940 shares of Commercial City, representing 11.74% of the issued share capital of Commercial City ("Target Shares"). The total consideration for the Acquisition is RMB 206,988,606.
Consideration:	The full consideration of RMB 206,988,606 will be paid by Zhongzhao Investment Management to the Vendor in cash consideration at RMB9.9 per share. The Acquisition will be funded by internal resources of the Company.

Payment of consideration:	The consideration of RMB206,988,606 will be satisfied in two instalments. Upon the Agreement becoming effective, Zhongzhao Investment Management and the Vendor will establish a jointly controlled account. Within three business days after the jointly controlled account is set up, Zhongzhao Investment Management will deposit the first instalment of RMB186,289,745 (being 90% of the full consideration) into the jointly controlled account. Upon completion of the application for registration of the transfer of the Target Shares, the Vendor may request the relevant bank to release the jointly controlled account and receive the principal amount in the account. Within 30 days after the completion of the registration of the transfer of the Target Shares, Zhongzhao Investment Management will pay the second instalment of RMB20,698,861 (being 10% of the full consideration) to the Vendor.
Condition:	The completion of the Acquisition is not subject to any condition.
Completion:	The Agreement is completed when the full consideration is paid in accordance with the arrangement stated above.

THE PREVIOUS ACQUISITIONS

In the last 12 months, Zhongzhao Investment Management has acquired in aggregate 12,904,084 shares of Commercial City from 1 November 2013 to 11 December 2013, representing approximately 7.24% of the issued share capital of Commercial City for an aggregate consideration of RMB105,424,333, through on-market purchases on the Shanghai Stock Exchange. The average acquisition cost per share is approximately RMB8.17. Through the Acquisition and the Previous Acquisitions, the Company has acquired a total of 33,812,024 shares of Commercial City in the last 12 months, representing approximately 18.98% of the issued share capital of Commercial City.

After the completion of the Acquisition, the Company is the owner of 52,048,427 shares in Commercial City, representing approximately 29.22% of the issued share capital of Commercial City.

BASIS OF DETERMINATION OF THE CONSIDERATION

The consideration for the Acquisition was determined after arm's length negotiations between the parties with reference to market price of Commercial City's shares and company's assessment of the operation and future prospects of Commercial City. The average market price per share of Commercial City for 90 trading days prior to the date of the Agreement was approximately RMB8.33.

The Previous Acquisitions were made at the prevailing market price of the Shares of Commercial City on the Shanghai Stock Exchange.

The Directors (including the independent non-executive Directors) consider the consideration and the Acquisition and the Previous Acquisitions to be fair and reasonable and in the interests of the shareholders of the Company as a whole.

FINANCIAL INFORMATION OF COMMERCIAL CITY

Based on the unaudited accounts of Commercial City prepared in accordance with PRC accounting principles as contained in the quarterly report of Commercial City for the nine months ended 30 September 2013, the total asset and net asset value of Commercial City as at 30 September 2013 were RMB3,778,568,217.48 and RMB473,602,037.48.

Based on the audited accounts of Commercial City prepared in accordance with PRC accounting principles, the operating revenue and audited net profit (before and after taxation and extraordinary items) of Commercial City for the two financial years ended 31 December 2011 and 2012 are as follows:

	For the year ended	
	31 December 2011	31 December 2012
	<i>RMB</i>	<i>RMB</i>
Operating Revenue	1,598,147,669.95	1,599,804,718.89
Net Profit/Loss before taxation	14,874,157.08	-119,854,671.43
Net Profit/Loss after taxation	3,163,750.96	-129,571,461.44

REASONS FOR ENTERING INTO THE TRANSACTION

The Company is optimistic towards the prospect of Commercial City and the consideration of the transaction is reasonable, therefore decided to further increase its strategic investment in the company.

INFORMATION ON THE PARTIES

The Company

The Company is principally engaged in the operation and management of department stores and property development in the PRC, and is a leading department store chain operator in the affluent regions throughout the PRC. Currently, the Company is focused on developing future department stores mainly in the second- and third-tier cities in the most economically developed regions and the regions with high economic growth in the PRC.

Commercial City

Commercial City is a company incorporated in the PRC with limited liability and listed on the Shanghai Stock Exchange (Shanghai stock code: 600306). It is principally engaged in operation of department stores in Shenyang city, Liaoning province.

Vendor

The Vendor is a company incorporated in the PRC with limited liability, who owned 11.74% of the issued share capital of Commercial City and was the third largest shareholder of Commercial City prior to the Acquisition.

REQUIREMENTS OF THE LISTING RULES

The Company confirms that, to the best of the Directors' knowledge, information and belief, the Vendor is a third party independent of the Company and its connected persons, and none of the Previous Acquisitions were effected with any connected persons of the Company.

As the relevant percentage ratios calculated pursuant to Rules 14.07 and 14.22 of the Listing Rules in respect of the Acquisition and the Previous Acquisitions exceed 5% but less than 25%, the Acquisition, together with the Previous Acquisition, constitute a discloseable transaction.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted from 9:00 a.m. on 17 February 2014 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange from 9:00 a.m. on 18 February 2014.

Definition

“Acquisition”	the acquisition by Zhongzhao Investment Management of 20,907,940 shares of Commercial City (representing 11.74% of the issued share capital of Commercial City) from the Vendor
“Agreement”	the sale and purchase agreement dated 16 February 2014 between Zhongzhao Investment Management and the Vendor
“Commercial City”	Shenyang Commercial City Co. Ltd. (瀋陽商業城股份有限公司), a limited company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600306)
“Company”	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
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Previous Acquisitions”	a series of acquisitions by Zhongzhao Investment Management of 12,904,084 shares of Commercial City (representing 7.24% of the issued share capital of Commercial City) through on-market purchases on the Shanghai Stock Exchange, apart from the Acquisition
“RMB”	Renminbi, the lawful currency in the PRC
“Zhongzhao Investment Management”	Zhongzhao Investment Management Company Limited (中兆投資管理有限公司), a wholly-owned subsidiary of the Company incorporated in the PRC

“Vendor”	Shenyang Commercial City (Group) Co., Ltd (瀋陽商業城(集團)有限公司), a company incorporated in the PRC with limited liability, holder of 11.74% of the issued share capital of Commercial City prior to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Maoye International Holdings Limited
Mr. Huang Mao Ru
Chairman

Hong Kong, 17 February 2014

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Huang Mao Ru, Mr. Zhong Pengyi, Ms. Wang Fuqin and Mr. Wang Bin; and three independent non-executive directors, namely, Mr. Chow Chan Lum, Mr. Pao Ping Wing and Mr. Leung Hon Chuen.