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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 TRANSACTIONS

ACQUISITION OF SHARES IN LIAONING LOGISTICS AND ANLI REAL ESTATE

The Company is pleased to announce that on 26 June 2014, Maoye Shangsha, a wholly-owned subsidiary of the Company, entered into two sale and purchase agreements with Commercial City, being: (a) the Liaoning Agreement; and (b) the Shenyang Agreement.

(a) Liaoning Agreement

Pursuant to the terms and conditions of the Liaoning Agreement, Maoye Shangsha has agreed to purchase and Commercial City has agreed to sell its entire equity interest in Liaoning Logistics, being 99.94% of Liaoning Logistics' total issued share capital, for a cash consideration of up to RMB295,500,000, which will be confirmed based on the formal valuation report. In addition, Maoye Shangsha undertook to repay any outstanding trade receivables of up to RMB181,215,600 due from Liaoning Logistics and its subsidiaries to Commercial City and its subsidiaries as at the completion date of the Liaoning Agreement.

(b) Shenyang Agreement

Pursuant to the terms and conditions of the Shenyang Agreement, Maoye Shangsha has agreed to purchase and Commercial City has agreed to sell its entire equity interest in Anli Real Estate, being 100% of Anli Real Estate's total issued share capital, for an aggregate consideration of RMB41,400,000, which will be confirmed based on the formal valuation report.

Listing Rules implications

As the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the Liaoning Agreement and the Shenyang Agreement exceed 5% but are less than 25%, the transactions under the Liaoning Agreement, together with the Shenyang Agreement, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios in aggregate exceed 5% but are less than 25%, the transactions under the Liaoning Agreement and the Shenyang Agreement are subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules. The transactions under the Liaoning Agreement and the Shenyang Agreement are not subject to approval of shareholders of the Company under the Listing Rules.

SALE AND PURCHASE AGREEMENTS BETWEEN MAOYE SHANGSHA AND COMMERCIAL CITY

The Company is pleased to announce that on 26 June 2014, Maoye Shangsha, a wholly-owned subsidiary of the Company, entered into two sale and purchase agreements with Commercial City, being (a) the Liaoning Agreement; and (b) the Shenyang Agreement. Details of these agreements are set out below.

(a) THE LIAONING AGREEMENT

Date 26 June 2014

Parties

Vendor: Commercial City

Purchaser: Maoye Shangsha

As at the date of this announcement, the Vendor is 29.22% owned by Zhongzhao Investment Management, a wholly-owned subsidiary of the Company. Save for the aforesaid, to the best of the Directors' knowledge, information and belief and having made all enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Assets to be acquired

Pursuant to the Liaoning Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell its entire equity interest in Liaoning Logistics, being 99.94% of Liaoning Logistics' total issued share capital.

Consideration

The cash consideration to be paid for the acquisition under the Liaoning Agreement is up to RMB295,500,000. The actual amount to be paid will be confirmed based on the formal valuation report. The consideration will be satisfied by internal resources.

Maoye Shangsha shall pay to the Vendor RMB 100,000,000 from the signing of the Liaoning Agreement, of which RMB 58,000,000 will be applied as deposit, and the other RMB 42,000,000 will be applied as pre-payment of the consideration. Both the deposit and the pre-payment shall be used to settle part of the consideration. The remaining cash consideration will be paid within ten business days from the day when all the conditions set out below are satisfied.

In addition, Maoye Shangsha undertook to repay any outstanding trade receivables of up to RMB181,215,600 due from Liaoning Logistics and its subsidiaries to Commercial City and its subsidiaries as at the completion date within six months from the completion date of the Liaoning Agreement.

Basis of determination of the consideration

The consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to a preliminary valuation on Liaoning Logistics by an independent valuer, according to which the net asset value of Liaoning Logistics was expected to be approximately RMB295,327,900 as at 31 May 2014.

The Directors (including the independent non-executive Directors) consider that the acquisition under the Liaoning Agreement is fair and reasonable and in the interests of the shareholders of the Company as a whole.

Conditions

The Liaoning Agreement takes effect upon the fulfilment or waiver (as the case may be) of the following conditions:

- (a) The signing of the Liaoning Agreement by each of the parties' legal representative or authorised representative;
- (b) The approval of the transaction by Liaoning Logistics' shareholders, and a minority shareholder of Liaoning Logistics has agreed to waive its pre-emption right in relation this transaction;
- (c) The approval of the transaction by Commercial City's shareholders meeting; and
- (d) The approval of the transaction by the China Securities Regulatory Commission (if required).

To the extent permissible by law, regulations or any order by regulatory authorities, the parties may waive any of the conditions as set out in (a) to (d) above by agreement in writing. If the conditions have not been fulfilled in full or waived by the parties on or before the expected completion time prescribed below, either party can terminate the Liaoning Agreement and the transactions contemplated there under by seven days' notice.

Completion

The Liaoning Agreement is completed when the share transfer contemplated under the Liaoning Agreement is registered with the Industry and Commerce Bureau. Completion shall take place within one month after the satisfaction of all conditions set out above.

Other key terms

From the date of signing the Liaoning Agreement up to the date of completion, Commercial City and its subsidiaries undertake not to provide further guarantees or assume mutual guarantees except for those already entered into. As for guarantee agreements that were already entered into, each of the parties shall use their best endeavours to procure the respective lenders' approval to release Commercial City of its guarantee obligations by executing a change of guarantor agreement. If such approval cannot be obtained and as a result of which Commercial City continues to assume guarantors' liabilities, Maoye Shangsha undertakes to indemnify Commercial City in full.

Financial information of Liaoning Logistics

Set out below is the consolidated financial information of the Liaoning Logistics as extracted from the audited consolidated financial statements of Liaoning Logistics for each of the financial years ended 31 December 2012 and 2013 prepared based on PRC Generally Accepted Accounting Principles:

	For the year ended 31 December 2012 (audited) <i>RMB thousands</i>	For the year ended 31 December 2013 (audited) <i>RMB thousands</i>
Net profit before taxation	-11,552.40	-793.03
Net profit after taxation	-11,930.12	-793.03

The unaudited total asset value of Liaoning Logistics as at 31 December 2013 was approximately RMB829,330,706. Based on valuation conducted by independent third party, the unaudited net asset value of Liaoning Logistics was approximately RMB295,327,900 as at 31 May 2014.

Information on Liaoning Logistics

Liaoning Logistics is principally engaged in domestic general commercial trading.

(b) SHENYANG AGREEMENT

Date 26 June 2014

Parties

Vendor: Commercial City

Purchaser: Maoye Shangsha

Assets to be acquired

Pursuant to the Shenyang Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell its entire equity interest of Anli Real Estate being 100% of the issued share capital of Anli Real Estate.

Consideration

The cash consideration for the acquisition under the Shenyang Agreement is up to RMB41,400,000. The actual amount to be paid will be confirmed based on the formal valuation report. The consideration will be satisfied by internal resources.

Maoye Shangsha shall pay to the Vendor RMB 5,000,000 as a deposit within five business days from the signing of the Shenyang Agreement. The deposit shall be used to settle part of the consideration. The remaining cash consideration will be paid within ten business days from the day when all the conditions set out below are satisfied.

Basis of determination of the consideration

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to a preliminary valuation on Anli Real Estate by an independent valuer, according to which the net asset value of Anli Real Estate was approximately RMB41,391,900 as at 31 May 2014.

The Directors (including the independent non-executive Directors) consider that the acquisition under the Liaoning Agreement is fair and reasonable and in the interests of the shareholders of the Company as a whole.

Conditions

The Shenyang Agreement takes effect upon the fulfilment or waiver (as the case may be) of the following conditions:

- (a) The signing of the Shenyang Agreement by each of the parties' legal representative or authorised representative;
- (b) The approval of the transaction by Anli Real Estate's shareholders;
- (c) The approval of the acquisition by Commercial City's shareholders; and
- (d) The approval of the acquisition by the China Securities Regulatory Commission (if required).

To the extent permissible by law, regulations or any order by regulatory authorities, the parties may waive any of the conditions as set out in (a) to (d) above by agreement in writing. If the conditions have not been fulfilled in full or waived by the parties on or before the expected completion time prescribed below, either party can terminate the Shenyang Agreement and the transactions contemplated thereunder by seven days' notice.

Completion

The Shenyang Agreement is completed when the share transfer contemplated under the Shenyang Agreement with the Industry and Commerce Bureau. Completion should take place within one month after the satisfaction of all conditions set out above.

Other key terms

From the date of signing the Shenyang Agreement and up to the date of completion, Commercial City and its subsidiaries undertake not to provide further guarantees or assume mutual guarantees except for those already entered into. As for guarantee agreements that were already entered into, the parties shall use their best endeavours to procure the respective lenders' approval to release Commercial City of its guarantee obligations by executing a change of guarantor agreement. If such approvals cannot be obtained and as a result of which Commercial City continues to assume guarantors' liabilities, Maoye Shangsha undertakes to indemnify Commercial City in full.

Financial information of Anli Real Estate

Set out below is the financial information of the Anli Real Estate for each of the financial years ended 31 December 2012 and 2013 prepared based on PRC Generally Accepted Accounting Principles:

	For the year ended 31 December 2012 (audited) <i>RMB thousands</i>	For the year ended 31 December 2013 (audited) <i>RMB thousands</i>
Net profit before taxation	-30,009.25	-33,468.66
Net profit after taxation	-30,009.25	-33,468.66

The unaudited total asset value of Auli Real Estate as at 31 December 2013 was approximately RMB215,406,000. Based on valuation conducted by independent third party, the unaudited net asset value of Anli Real Estate was approximately RMB41,391,900 as at 31 May 2014.

Information of Anli Real Estate

Anli Real Estate is principally engaged in real estate development.

REASONS AND BENEFITS FOR THE TRANSACTIONS

The Board considers that the terms of the Liaoning Agreement and Shenyang Agreement are fair and reasonable, are on normal commercial terms and are in the interests of the Company and the Shareholders as a whole. After the transactions, the Company has acquired commercial properties in Shenyang City, which facilitated the Company to operate and manage the properties directly and effectively, and created mutual benefit for the Company and Commercial City.

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.

Purchaser

The Purchaser is Maoye Shangsha, a wholly-owned subsidiary of the Company. It is principally engaged in operation of department store business.

Vendor

The Vendor is Commercial City, who is principally engaged in the operation of department stores in Shenyang city, Liaoning province, PRC. As at the date of this announcement, Commercial City is 29.22% owned by Zhongzhao Investment Management, a wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules in respect of the Liaoning Agreement and the Shenyang Agreement exceed 5% but are less than 25%, the transaction under the Liaoning Agreement, together with the Shenyang Agreement, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios in aggregate exceed 5% but are less than 25%, the transactions under the Liaoning Agreement and the Shenyang Agreement are subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules. The transactions under the Liaoning Agreement and the Shenyang Agreement are not subject to approval of shareholders of the Company under the Listing Rules.

DEFINITIONS

“Anli Real Estate”	Shenyang Anli Real Estate Operations Company Limited (瀋陽安立置業經營有限責任公司), a company incorporated with limited liability in the PRC
“Board”	the board of Directors
“Commercial City” or “Vendor”	Shenyang Commercial City Co. Ltd. (瀋陽商業城股份有限公司), a company incorporated in the PRC with limited liability 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
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Liaoning Agreement”	the sale and purchase agreement entered into between Maoye Shangsha and Commercial City dated 26 June 2014
“Liaoning Logistics”	Liaoning Logistics Company Limited (遼寧物流有限公司), a company incorporated with limited liability in the PRC
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Maoye Shangsha” or “Purchaser”	Shenzhen Maoye Trade Building Co., Ltd. (深圳茂業商廈有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency in the PRC

“Shareholders”	the shareholders of the Company
“Shenyang Agreement”	the sale and purchase agreement entered into between Maoye Shanghsa and Commercial City dated 26 June 2014
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“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

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

Hong Kong, 27 June 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.