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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)

ANNOUNCEMENT
HIGHLIGHTS OF FIRST QUARTER RESULTS OF CHENGSHANG
FOR THE THREE MONTHS ENDED 31 MARCH 2015

This is an announcement made pursuant to the Inside Information provisions under part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09 of the Listing Rules.

The Board of Directors (“the **Board**”) of Maoye International Holdings Limited (“the **Company**”) is pleased to announce that Chengshang, a subsidiary of the Company, has published its unaudited first quarter results for the three months ended 31 March 2015 (the “**Reporting Period**”) prepared pursuant to PRC GAAP.

The key financial data and material information are set out as follows:

1 KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

	As at 31 March 2015	As at 31 December 2014	Increase/ decrease as at 31 March 2015 compared with 31 December 2014 (%)
Total assets (RMB)	2,421,118,670.09	2,309,509,894.68	4.83
Net asset attributable to shareholders of Chengshang (RMB)	1,262,860,327.29	1,249,770,474.14	1.05

	For the three months ended 31 March 2015 (January to March 2015)	Corresponding period of previous year (January to March 2014)	Increase/ (decrease) as compared with the corresponding period of previous year (January to March 2014) (%)
Net cash flows from operating activities (RMB)	99,226,495.80	112,241,117.55	-11.60
	For the three months ended 31 March 2015 (January to March 2015)	Corresponding period of previous year (January to March 2014)	Increase/ (decrease) as compared with the corresponding period of previous year (January to March 2014) (%)
Total operating revenue (RMB)	583,409,504.76	638,248,570.84	-8.59
Net profit attributable to Chengshang's shareholders (RMB)	36,421,580.90	51,489,332.87	-29.26
Net profit attributable to Chengshang's shareholders after extraordinary items (RMB)	33,534,238.03	51,632,526.55	-35.05
Weighted average return on net assets (%)	2.87	4.51	decreased by 1.64 percentage point
Basic earnings per share (RMB/share)	0.0638	0.0903	-29.35
Diluted earnings per share (RMB/share)	0.0638	0.0903	-29.35

Deducting extraordinary item and amount:

Item	For the three months ended 31 March 2015 RMB	Note
Profit/loss on disposal of non-current assets	1,611,225.83	Mainly due to the profit from the disposal of Sanqiao Commercial Plaza.
Government subsidies credited to profit and loss for the current period (other than government subsidies closely related to enterprise business and enjoyed at national unified standard fixed amount or fixed quantity)	2,210,000.00	
Other non-operating income and expenses other than the above items	26,335.42	
Income tax effect	-577.19	
Effect on minority interests after tax	-959,641.19	
Total	2,887,342.87	

2. SIGNIFICANT EVENTS

2.1 Description and reasons for substantial changes in balance sheet items

Unit & currency: RMB

Items	As at 31 March 2015	As at 31 December 2014	Amount of change	Percentage of change
Cash and bank				
balance	118,350,045.92	90,309,670.27	28,040,375.65	31.05%
Dividend				
receivable	7,823,883.21	12,168,130.89	-4,344,247.68	-35.70%
Prepayment	37,006,894.10	12,020,710.72	24,986,183.38	207.86%
Other current				
asset	10,274,268.78	5,440,386.66	4,833,882.12	88.85%
Notes payable	873,970.00	500,000.00	373,970.00	74.79%
Account				
receivable	486,194,988.95	360,951,663.67	125,243,325.28	34.70%
Tax payable	12,051,158.08	46,398,564.16	-34,347,406.08	-74.03%
Dividend				
payable	28,955,325.15	433,342.30	28,521,982.85	6581.86%

Reasons for changes:

- (1) The increase in cash and bank balance is mainly due to the operating cash inflow of the Company.
- (2) The decrease in accounts receivable is mainly due to the receipt of credit card payments receivable at the end of the previous period of the Company during the Reporting Period.
- (3) The increase in prepayments is mainly due to the prepaid purchase payments for home appliances of the Company during the Reporting Period.
- (4) The increase in other current assets is mainly due to the increase in the Company's prepaid input tax during the Reporting Period.
- (5) The increase in notes payable is mainly due to the increase in the Company's bank acceptance bills during the Reporting Period.
- (6) The increase in accounts payable is mainly due to the accounts payable to suppliers to be settled of the Company during the Reporting Period.

- (7) The decrease in taxes payable is mainly due to the income tax paid by the Company during the Reporting Period.
- (8) The increase in dividend payable is mainly due to the declaration of cash dividend of RMB0.5 (tax inclusive) for every ten shares by the Company to all its shareholders at the 2014 annual general meeting during the Reporting Period. The dividends have not been paid as of the end of Reporting Period.

2.2 Description and reasons for substantial changes in income statement items

Unit & currency: RMB

Items	January to March 2015	January to March 2014	Amount of change	Percentage of change
Investment income	28,230.00	5,680,991.20	-5,652,761.20	-99.50%
Non-operating income	3,938,497.91	280,578.35	3,657,919.56	1303.71%
Non-operating expense	90,936.66	421,967.89	-331,031.23	-78.45%
Profit (loss) of minority interests	-53,182.63	-290,249.82	237,067.19	NA

Reasons for changes:

- (1) The decrease in investment income is mainly due to the declared but unpaid cash dividend of RMB5.68 million which is receivable by the Company in the corresponding period of last year.
- (2) The increase in non-operating income is mainly due to the income derived from disposal of Sanqiao Commercial Plaza (三橋商業廣場) and income in the government grant of the Company during the Reporting Period.
- (3) The decrease in non-operating expense is mainly due to the net losses of RMB400,000 attributable to disposal of fixed assets by the Company in the corresponding period of last year.
- (4) The increase in profit (loss) of minority interests is mainly due to the decrease in the losses of subsidiaries (including minority interests) during the Reporting Period.

2.3 Description and reasons for substantial changes in cash flow statement items

Unit & currency: RMB

Items	January to March 2015	January to March 2014	Amount of change
Net cash flows from investment activities	-47,041,314.70	-23,246,372.47	-23,794,942.23
Net cash flows from financing activities	-24,106,996.45	-143,601,611.37	119,494,614.92

Reasons for changes:

- (1) The decrease in net cash flows from investment activities is mainly due to the increase in investment during the Reporting Period compared to the corresponding period of last year.
- (2) The increase in net cash flows from financing activities is mainly due to the payment of principal amount and interest of the Company's short-term financing notes which became due in the corresponding period of last year.

3 APPENDIX

The consolidated balance sheet, consolidated income statement and consolidated cash flow statement below are prepared by Chengshang, which have not been reviewed or audited by the auditors of Chengshang or the Company.

Consolidated Balance Sheet

Item	As at 31 March 2015 RMB	As at 1 January 2015 RMB
Current assets:		
Cash and bank balance	118,350,045.92	90,309,670.27
Accounts receivable	7,823,883.21	12,168,130.89
Prepayments	37,006,894.10	12,020,710.72
Other receivables	97,856,352.21	84,367,567.94
Inventories	172,076,928.19	173,760,013.84
Non-current assets due within one year	10,274,268.78	5,440,386.66
Total current assets	443,388,372.41	378,066,480.32
Non-current assets:		
Available-for-sale financial asset investments	142,084,251.47	136,893,996.37
Investment properties	173,235,569.08	180,614,500.48
Fixed assets	862,762,416.90	802,690,757.64
Construction in progress	350,464,493.04	356,208,050.38
Intangible assets	385,411,248.19	388,749,383.11
Goodwill	26,740,083.09	26,740,083.09
Long-term deferred expenditures	17,371,234.51	19,512,793.51
Deferred tax asset	19,661,001.40	20,033,849.78
Total non-current assets	1,977,730,297.68	1,931,443,414.36
Total assets	2,421,118,670.09	2,309,509,894.68

Item	As at 31 March 2015 RMB	As at 1 January 2015 RMB
Current liabilities:		
Short-term borrowings	170,000,000.00	170,000,000.00
Notes payable	873,970.00	500,000.00
Accounts payable	486,194,988.95	360,951,663.67
Advances	44,199,470.57	52,667,725.17
Staff remuneration payable	10,138,948.67	14,226,427.04
Taxes payable	12,051,158.08	46,398,564.16
Interest payable	805,092.22	864,102.98
Dividend payable	28,955,325.15	433,342.30
Other payables	108,656,835.57	100,038,250.56
Non-current liabilities due within one year	52,547,129.00	52,547,129.00
Total current liabilities	914,422,918.21	798,627,204.88
Non-current liabilities:		
Long-term borrowings	210,244,700.00	227,415,800.00
Long-term staff remuneration payable	9,134,649.61	9,134,649.61
Deferred tax liabilities	8,279,554.85	8,332,063.29
Total non-current liabilities	227,658,904.46	244,882,512.90
Total liabilities	1,142,081,822.67	1,043,509,717.78
Owner's equity (or shareholders' equity):		
Share capital	570,439,657.00	570,439,657.00
Capital reserve	35,171,004.97	29,980,749.87
Other comprehensive income	292,623.72	292,623.72
Surplus reserve	150,731,199.84	150,731,199.84
Undistributed profit	506,225,841.76	498,326,243.71
Total owners' equity attributable to the parent of Chengshang	1,262,860,327.29	1,249,770,474.14
Minority interests	16,176,520.13	16,229,702.76
Total owners' equity	1,279,036,847.42	1,266,000,176.90
Total liabilities and owners' equity	2,421,118,670.09	2,309,509,894.68

3.2 Consolidated Income Statement (for the three months ended 31 March 2015)

Item	For the three months ended 31 March 2015 (January to March 2015) RMB	For the three months ended 31 March 2014 (January to March 2014) RMB
1. Total operating revenue	583,409,504.76	638,248,570.84
Including: Operating revenue	583,409,504.76	638,248,570.84
2. Total cost of operations	538,522,101.95	576,865,593.65
Including: Operating cost	460,154,858.86	500,073,073.07
Business tax and surcharges	9,735,722.36	9,484,602.53
Sales expenses	50,474,613.78	46,951,290.47
Administrative expenses	11,825,134.20	13,908,162.75
Finance costs	6,331,772.75	6,448,464.83
Add: Gains on fair value changes (loss stated with “-”)	0	0
Investment income (loss stated with “-”)	28,230.00	5,680,991.20
3. Operating profit (loss stated with “-”)	44,915,632.81	67,063,968.39
Add: Non-operating income	3,938,497.91	280,578.35
Including: Profit from disposal of non-current asset	1,612,904.50	0
Less: Non-operating expenses	90,936.66	421,967.89
Including: Loss from disposal of non-current asset	1,678.67	400,937.26
4. Total profit (loss stated with “-”)	48,763,194.06	66,922,578.85
Less: Income tax	12,394,795.79	15,723,495.80
5. Net profit (loss stated with “-”)	36,368,398.27	51,199,083.05
Net profit attributable to owners of Chengshang	36,421,580.90	51,489,332.87
Profit (loss) of minority interests	-53,182.63	-290,249.82
6. Other comprehensive income after tax	0	0

Item	For the three months ended 31 March 2015 (January to March 2015) RMB	For the three months ended 31 March 2014 (January to March 2014) RMB
7. Total comprehensive income	36,368,398.27	51,199,083.05
Total comprehensive income		
attributable to owners of the parent	36,421,580.90	51,489,332.87
Total comprehensive income		
attributable to minority shareholders	-53,182.63	-290,249.82
8. Earnings per share:		
(1) Basic earnings per share	0.0638	0.0903
(2) Diluted earnings per share	0.0638	0.0903

3.3 Consolidated Cash Flow Statement

Item	For the three months ended 31 March 2015 (January to March 2015) RMB	For the three months ended 31 March 2014 (January to March 2014) RMB
1. Cash flows from operating activities		
Cash received from product sales and rendering of services	648,992,752.93	697,257,224.72
Other cash received relating to operating activities	7,884,967.94	3,635,016.12
Sub-total of cash inflows from operating activities	656,877,720.87	700,892,240.84
Cash paid for purchase of goods and receipt of services	425,828,079.42	479,614,970.92
Cash paid to and on behalf of employees	25,274,237.99	22,362,171.95
Taxes and levies paid	80,209,475.01	40,472,552.14
Other cash paid relating to operating activities	26,339,432.65	46,201,428.28
Sub-total of cash outflows from operating activities	557,651,225.07	588,651,123.29
Net cash flow from operating activities	99,226,495.80	112,241,117.55
2. Cash flows from investment activities:		
Cash received from disposal of investments	50,000,000.00	0
Cash received from returns on investments	76,712.33	3,519,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	276,162.39	142,000.00
Sub-total of cash inflows from investment activities	50,352,874.72	3,661,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	47,394,189.42	26,907,372.47

Item	For the three months ended 31 March 2015 (January to March 2015) RMB	For the three months ended 31 March 2014 (January to March 2014) RMB
Cash paid for investments	50,000,000.00	0
Sub-total of cash outflows from investment activities	97,394,189.42	26,907,372.47
Net cash flow from investment activities	-47,041,314.70	-23,246,372.47
3. Cash flows from financing activities:		
Cash received from borrowings	0	20,000,000.00
Sub-total of cash inflows from financing activities	0	20,000,000.00
Cash repayments of debts	17,171,100.00	150,000,000.00
Cash payment for interest expenses and distribution of dividend or profit	6,935,896.45	13,601,611.37
Sub-total of cash outflows from financing activities	24,106,996.45	163,601,611.37
Net cash flow from financing activities	-24,106,996.45	-143,601,611.37
4. Effect of foreign exchange rate change on cash and cash equivalents	0	0
5. Net increase in cash and cash equivalents	28,078,184.65	-54,606,866.29
Add: Cash and cash equivalents at the beginning of year	90,159,670.27	77,123,465.08
6. Cash and cash equivalents at the end of the period	118,237,854.92	22,516,598.79

DEFINITION

“Chengshang”	Chengshang Group Co., Ltd (成商集團股份有限公司), a subsidiary of the Company and a joint stock limited company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600828). At the date of this announcement, the Company holds 388,226,763 shares in Chengshang through Maoye Shangsha, representing approximately 68.06% of its issued share capital
“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
“Maoye Shangsha”	Shenzhen Maoye Shangsha Company Limited (深圳茂業商廈有限公司), a wholly owned subsidiary of the Company incorporated in the PRC
“PRC GAAP”	The PRC Accounting Standards and its supplementary regulations
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

28 April 2015, Hong Kong

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.