

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

MAJOR TRANSACTION

THE ACQUISITION

The Board is pleased to announce that on 18 September 2015, Zhongzhao, a wholly-owned subsidiary of the Company, succeeded in the bid for the acquisition of the Target Shares offered for sale by Maoye Logistics through the Auction at a consideration of RMB1,405,875,700.

The Company expects that Zhongzhao will enter into the Acquisition Agreement on or about 30 September 2015, which sets out the terms upon which Zhongzhao will acquire and Maoye Logistics will sell, the Target Shares. Further announcement will be made by the Company as and when the Acquisition Agreement has been entered into.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios in respect of the Acquisition exceeds 25% but is less than 75%, the Acquisition constitutes a major transaction for the Company and is subject to shareholders' approval requirements under the Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, shareholders' approval is required for a major transaction. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving of the Acquisition, written shareholders' approval has been obtained from the Controlling Shareholder pursuant to Rule 14.44 of the Listing Rules. After the obtaining of such written shareholders' approval, the Company is not required to convene a general meeting for approving the Acquisition.

In order to allow sufficient time to prepare the financial information to be included in the circular in connection with the Acquisition, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, which requires the circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular is expected to be despatched to the Shareholders on or before 30 November 2015.

As completion of the Acquisition is conditional on the satisfaction of certain conditions as may be set out in the Acquisition Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

INTRODUCTION

The Board is pleased to announce that on 18 September 2015, Zhongzhao, a wholly-owned subsidiary of the Company, succeeded in the bid for the acquisition of the Target Shares offered for sale by Maoye Logistics through the Auction at a consideration of RMB1,405,875,700 .

THE ACQUISITION

Parties

- (i) Maoye Logistics, as vendor
- (ii) Zhongzhao, as purchaser

Maoye Logistics is indirectly owned as to approximately 33.46% by the Company and is an associated company of the Company. Other than as aforesaid, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Maoye Logistics is not a connected person.

Assets to be acquired

Zhongzhao has agreed to acquire from Maoye Logistics the entire equity interest in the Target Company.

Consideration and payment terms

The consideration for the Acquisition is RMB1,405,875,700 , which was determined as a result of the Auction.

The Consideration will be satisfied by the Company in cash in a manner to be agreed between Zhongzhao and Maoye Logistics under the Acquisition Agreement.

The Consideration payable by Zhongzhao is expected to be financed by the Group's internal resources.

The Company expects that Zhongzhao will enter into the Acquisition Agreement on or about 30 September 2015, which sets out the terms upon which Zhongzhao will acquire and Maoye Logistics will sell, the Target Shares. Further announcement will be made by the Company as and when the Acquisition Agreement has been entered into.

Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company.

Completion is expected to take place within two months of the date of this announcement.

INFORMATION OF THE TARGET COMPANY

The Target Company is principally engaged in department store retail business in Qinhuangdao city and ownership of properties situated in the Anhui province, the PRC.

According to the unaudited financial statements of the Target Company prepared in accordance with PRC Generally Accepted Accounting Principles, the net asset value of the Target Company as at 31 December 2014 was RMB**1,227,075,400** and the unaudited net profit of the Target Company for the two financial years ended 31 December 2014 were as follows:

	For the year ended 31 December 2013 unaudited (RMB)	For the year ended 31 December 2014 unaudited (RMB)
Net profit before taxation	140,039,900	138,951,000
Net profit after taxation	92,765,100	91,404,400

REASONS FOR AND BENEFITS OF THE ACQUISITION

1. Strengthen consolidation of regional department store retailing business;

The Target Company is principally engaged in retail business operating four department stores within the central business district of Qinhuangdao, as well as Hefei, Wuhu, Chuzhou and Huainan in the PRC. It is expected that the Target Company can benefit from the Company's listing status, brand image, management experience and active business development in order to achieve high-speed growth and improvement on its capability on purchasing, sales, customers service and overall business performance. Thereby increasing the profit of the Group.

The Directors consider that the Acquisition is fair and reasonable and in the interests of the shareholders of the Company as a whole.

INFORMATION ON THE PARTIES

Zhongzhao

Zhongzhao is an investment holding company established in the PRC with limited liability and a wholly-owned subsidiary of 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.

Maoye Logistics

Maoye Logistics is principally engaged in the department store retail and telecommunication business. It occupies a leading position in the retail industry of Qinhuangdao city. At present it has five department stores in Qinhuangdao city. The company also engaged in internet and information service, value-added telecommunication service, investment and operation and mobile payment and SMS business.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios in respect of the Acquisition exceeds 25% but is less than 75%, the Acquisition constitutes a major transaction for the Company and is subject to shareholders' approval under the Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, shareholders' approval is required for a major transaction. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving of the Acquisition, written shareholders' approval has been obtained from the Controlling Shareholder pursuant to Rule 14.44 of the Listing Rules. After the obtaining of such written shareholders' approval, the Company is not required to convene a general meeting for approving the Acquisition.

In order to allow sufficient time to prepare the financial information to be included in the circular in connection with the Acquisition, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, which requires the circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular is expected to be despatched to the Shareholders on or before 30 November 2015.

As completion of the Agreement is conditional on the satisfaction of certain conditions as may be set out in the Acquisition Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	the acquisition the Target Shares by Zhongzhao
“Acquisition Agreement”	the asset acquisition agreement to be entered into between Zhongzhao and Maoye Logistics for the Acquisition
“Auction”	the public auction administered by China Beijing Equity Exchange in respect of the offer for sale of the Target Shares by Maoye Logistics
“Board”	the board of directors of the Company
“Business Day”	any day (other than a Saturday or Sunday or public holiday) on which banks in the PRC are open for the transaction of normal business
“Company”	Maoye International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning scribed to it under the Listing Rules
“Consideration”	the consideration payable for the Acquisition
“Controlling Shareholder”	Maoye Department Store Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling shareholder (as defined in the Listing Rules) of the Company holding 4,200,000,000 shares in the Company as of the date of this announcement
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Maoye Logistics”	Maoye Logistics Corporation Limited, a joint stock limited company established in the PRC and listed on the Shenzhen Stock Exchange (stock code: 000889), being an associate of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Qinhuangdao Maoye Holdings Co., Ltd. (秦皇島茂業控股有限公司), company established in the PRC with limited liability and a wholly-owned subsidiary of Maoye Logistics
“Target Shares”	the entire registered capital of the Target Company in the sum of RMB886,517,865
“Zhongzhao”	Zhongzhao Investment Management Co., Ltd. (中兆投資管理有限公司) a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

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

Hong Kong, 18
September 2015

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.