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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)**

### **MAJOR TRANSACTIONS**

#### **THE ACQUISITIONS**

The Board is pleased to announce that on 16 October 2015, Chengshang Holding, a wholly-owned subsidiary of Chengshang, which is in turn 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), has entered into the Agreements for making the Acquisitions, namely (i) the acquisition of 100% of the equity interests in Chengdu Renhe Chuntian; and (ii) the acquisition of 100% of the equity interests in Qingyang Renhe Chuntian.

##### **(i) *Chengdu Renhe Chuntian Agreement***

Chengshang Holding has entered into the Chengdu Renhe Chuntian Agreement with Renhe Industrial for the acquisition of the equity interests in Chengdu Renhe Chuntian. Pursuant to the Chengdu Renhe Chuntian Agreement, Renhe Industrial has agreed to sell and Chengshang Holding has agreed to purchase 100% equity interests in Chengdu Renhe Chuntian. The proposed consideration is RMB742,325,600 (subject to adjustment) which shall be payable in cash. The final consideration will be subject to the valuation carried out by the Valuer and further negotiations between the parties.

(ii) *Qingyang Renhe Chuntian Agreement*

Chengshang Holding has entered into the Qingyang Renhe Chuntian Agreement with Grand Collection for the acquisition of the equity interests in Qingyang Renhe Chuntian. Pursuant to the Qingyang Renhe Chuntian Agreement, Grand Collection has agreed to sell and Chengshang Holding has agreed to purchase 100% equity interests in Qingyang Renhe Chuntian. The proposed consideration is RMB1,732,093,000 (subject to adjustment) which shall be payable in cash. The final consideration will be subject to the valuation carried out by the Valuer and further negotiations between the parties.

**LISTING RULES IMPLICATIONS**

As the percentage ratios pursuant to the Listing Rules applicable to the Acquisitions referred to above exceed 25% but are less than 100%, the Acquisitions constitute a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, an independent valuer has to determine the respective fair value estimate of the valuation of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian for the determining of consideration payable for the relevant Acquisitions. This fair value estimate constitutes a profit forecast under Rule 14.61 of the Listing Rules. The Company will submit the relevant documents to the Stock Exchange in accordance with the requirements under Rule 14.62 of the Listing Rules, which sets out, among other things, the principal assumptions, including commercial assumptions, upon which the valuation is based; a letter from the Board setting out the confirmation that the valuation is made after due and careful enquiry; and the letter from the Company's reporting accountants confirming the results of its review of the accounting policies and calculations for the valuation as required by the Listing Rules. In order to allow sufficient time to finalise the valuation report of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian, respectively, the Company has applied to the Stock Exchange for a waiver from strict compliance with the timing requirement under Rule 14.62 of the Listing Rules, which requires the Company to submit the aforementioned additional information no later than the date of this announcement. The Company expects to submit such information to the Stock Exchange on or before 30 November 2015 and will include the same in the circular.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisitions and none of the Shareholders is required to abstain from voting in favour of the resolution approving the Acquisitions. Pursuant to Rule 14.44 of the Listing Rules, written shareholders' approval by Maoye Department Store Investment Limited, the holder of 4,200,000,000 Shares as at the date of this announcement (representing approximately 81.69% of the total issued share capital of the Company), will be obtained in lieu of holding a general meeting of the Company to approve the Acquisitions. Accordingly, no extraordinary general meeting of the Company will be convened for the purposes of approving the Acquisitions and the transactions contemplated thereunder.

## **GENERAL**

A circular containing, among other things, (i) further information relating to the Acquisitions and the transactions contemplated thereunder; (ii) financial and other information of the Group; (iii) financial and other information of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian; and (iv) pro forma financial information of the enlarged Group upon completion of the Acquisitions will be despatched to the Shareholders. In order to allow sufficient time to prepare the financial and other information to be included in the circular, 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. Accordingly, the circular is expected to be despatched to the Shareholders on or before 4 December 2015. The reasons for the circular to be despatched more than 15 business days after the date of this announcement are (i) additional time is required to prepare the financial information to be included in the circular in connection with the Acquisitions; (ii) additional time is required for the preparation of audited financial information of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian; and (iii) extra time is required to finalise the formal valuation report of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian, which forms the basis of the consideration under the Agreements, which in turn, will impact, amongst others, the timing of the letter from the reporting accountants of the Company and the letter from the Board issued in compliance with Rule 14.62 of the Listing Rules.

**Shareholders and potential investors of the Company should be aware that the completion of the Acquisitions are subject to satisfaction (or, if applicable, waiver) of certain conditions and consequently the Acquisitions may or may not proceed. Accordingly, they are advised to exercise caution when dealing in the Shares.**

The Board is pleased to announce that on 16 October 2015, Chengshang Holding, a wholly-owned subsidiary of Chengshang, which is in turn 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) has entered into the Agreements for making the Acquisitions, namely (i) the acquisition of 100% of the equity interests in Chengdu Renhe Chuntian; and (ii) the acquisition of 100% of the equity interests in Qingyang Renhe Chuntian.

Details of the Acquisitions and the Agreements and are set out below:

## **CHENGDU RENHE CHUNTIAN AGREEMENT**

### ***Date:***

16 October 2015

### ***Parties***

Seller: Renhe Industrial

Purchaser: Chengshang Holding

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Renhe Industrial and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

### ***Assets to be acquired***

Pursuant to the Chengdu Renhe Chuntian Agreement, Renhe Industrial has agreed to sell and Chengshang Holding has agreed to purchase 100% equity interests in Chengdu Renhe Chuntian.

### ***Consideration***

The proposed consideration is RMB742,325,600 (subject to adjustment) which shall be payable in cash. The payment of the consideration shall be satisfied by the internal resources of Chengshang Holding or other means of financing in the event that the internal resources are insufficient.

### ***Terms of payment***

The consideration shall be payable in cash by Chengshang Holding to Renhe Industrial in the following manner:

- (1) RMB148,465,100, being 20% of the total consideration, shall be payable within 10 business days after the Chengdu Renhe Chuntian Agreement becomes effective;
- (2) RMB222,697,700, being 30% of the total consideration, shall be payable within 10 business days upon Completion;
- (3) RMB222,697,700, being 30% of the total consideration, shall be payable within 3 months upon Completion; and
- (4) RMB148,465,100, being 20% of the total consideration, shall be payable after Completion and within 1 year after the Chengdu Renhe Chuntian Renhue Agreement becomes effective.

### ***Basis of determination of the consideration***

The consideration was determined after arm's length negotiations between the parties on commercial terms, subject to the formal valuation report prepared by the Valuer, the amount of dividends to be distributed and further negotiations between the parties.

### ***Condition precedents***

The completion of the acquisition of Chengdu Renhe Chuntian is conditional upon the certain conditions including the following:

- (1) the issue of a written confirmation by Chengdu Wuhou District Renhe Chuntian Department Store Ltd. (成都武侯區仁和春天百貨有限公司) (“**Wuhou Chuntian**”) confirming that Starhill Global Real Estate Investment Trust (升禧環球房地產投資信託) has waived its pre-emptive rights for acquiring the equity interests in Chengdu Renhe Chuntian, and a confirmation by Wuhou Chuntian that the profit guarantee period of Chengdu Renhe Chuntian under an alternative business co-operation agreement (“**Alternative Agreement**”) has ended and that Chengdu Renhe Chuntian has fulfilled its obligations in relation to its profit guarantee;

- (2) the issue of a written undertaking provided by Mr. Chen to Chengshang Holding that in the event Wuhou Chuntian requests Chengdu Renhe Chuntian to bear any extra costs in relation to profit guarantee and any other costs incurred up to 30 June 2015 (save and except operational costs) pursuant to the Alternative Agreement, Mr. Chen shall fully indemnify Chengdu Renhe Chuntian for any such costs incurred;
- (3) the undertaking and guarantee by Renhe Industrial in respect of the due repayment by Chengdu Renhe Investment Limited (成都仁和投資有限公司) (“**Renhe Investment**”) of its loan in the amount of RMB 471,899,135.96 to Chengdu Renhe Chuntian and the due repayment by Chengdu Renhe Hotel Management Company Limited (成都仁和酒店管理有限公司) of RMB 180,074,550.48 to Chengdu Renhe Chuntian and a written confirmation that full repayment of all receivable as detailed in the Chengdu Renhe Chuntian Agreement has been made by all related parties of Chengdu Renhe Chuntian;
- (4) the entering into of release agreements of all guarantees and undertakings undertaken by Chengdu Renhe Chuntian as detailed in the Chengdu Renhe Chuntian Agreement and the relevant procedures for releases have been duly completed, or, in respect of any guarantee, Renhe Industrial or a third party designated by Renhe Industrial and accepted by Chengshang Holding shall provide such guarantee to Chengshang Holding, and, in respect of any undertaking, the relevant bank has issued a written consent agreeing Renhe Investment to repay Chengdu Renhe Chuntian;
- (5) the obtaining of all necessary consents, authorisations and approvals from related third parties to Chengdu Renhe Chuntian (including but not limited to banks) for the acquisition of Chengdu Renhe Chuntian and there having been no third parties’ rights that will impede the acquisition of Chengdu Renhe Chuntian;
- (6) the issue of a written undertaking by the relevant suppliers and Renhe Industrial undertaking that upon Completion, in the event that Chengdu Renhe Chuntian is liable to any payment in respect of any ongoing litigations as detailed in the Chengdu Renhe Chuntian Agreement, the supplier(s) involved in the litigations shall fully indemnify Chengdu Renhe Chuntian. In the event that the relevant supplier(s) fails to indemnify Chengdu Renhe Chuntian, Renhe Industrial shall undertake to fully indemnify Chengdu Renhe Chuntian;
- (7) the obtaining of all necessary approvals by Chengdu Renhe Chuntian, including but not limited to undertaking concentration approvals by the Ministry of Commerce;

- (8) there having been no judgment, ruling or order issued by all relevant judicial authorities, approval bodies or regulatory bodies, and no newly promulgated law or amendment to the existing law, which shall render the Chengdu Renhe Chuntian Agreement and the transactions contemplated thereunder illegal or prohibited;
- (9) the representations and undertakings being true, accurate and complete in all respects; and
- (10) there having been no breach and no relevant evidence suggesting there will be any breach of the Chengdu Renhe Chuntian Agreement.

***Longstop date***

Unless otherwise agreed, if the condition precedents set out above are not satisfied within 6 months after the Chengdu Renhe Chuntian Agreement becomes effective, Chengshang Holding shall be entitled to terminate the Chengdu Renhe Chuntian Agreement and any other ancillary documents in which case Renhe Industrial shall return all payment to Chengshang Holding.

***Exclusivity***

The parties have agreed that the rights of each party under the Chengdu Renhe Chuntian Agreement, whether in whole or in part, shall not be transferred or assigned in any way to any third party.

**QINGYANG RENHE CHUNTIAN AGREEMENT**

***Date***

16 October 2015

***Parties***

Seller:           Grand Collection

Purchaser:       Chengshang Holding

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Grand Collection and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

### ***Assets to be acquired***

Pursuant to the Qingyang Renhe Chuntian Agreement, Grand Collection has agreed to sell and Chengshang Holding has agreed to purchase 100% equity interests in Qingyang Renhe Chuntian.

### ***Consideration***

The proposed consideration is RMB1,732,093,000 (subject to adjustment) which shall be payable in cash. The payment of the consideration shall be satisfied by the internal resources of Chengshang Holding or other means of financing in the event that the internal resources are insufficient.

### ***Terms of payment***

The consideration shall be payable in cash by Chengshang Holding to Renhe Industrial in the following manner:

- (1) RMB346,418,600, being 20% of the total consideration, shall be payable within 10 business days after the Qingyang Renhe Chuntian Agreement becomes effective;
- (2) RMB519,627,900, being 30% of the total consideration, shall be payable within 10 business days upon Completion;
- (3) RMB519,627,900, being 30% of the total consideration, shall be payable within 3 months upon Completion; and
- (4) RMB346,418,600, being 20% of the total consideration, shall be payable after Completion and within 1 year after the Qingyang Renhe Chuntian Agreement becomes effective.

### ***Basis of determination of the consideration***

The consideration was determined after arm's length negotiations between the parties on commercial terms, subject to the formal valuation report prepared by the Valuer, the amount of dividends to be distributed and further negotiations between the parties.

### ***Condition precedents***

The completion of the acquisition of Chengdu Renhe Chuntian is conditional upon the certain conditions including the following:

- (1) the entering into of release agreements of all guarantees and undertakings undertaken by Qingyang Renhe Chuntian as detailed in the Qingyang Renhe Chuntian Agreement and the relevant procedures for releases has been duly completed or the providing of a satisfactory guarantee to Chengshang Holding by Grand Collection or a third party designated by Grand Collection and accepted by Chengshang Holding in relation to all guarantees undertaken by Qingyang Renhe Chuntian;
- (2) the issue of a letter of undertaking by Chengdu Renhe Chuntian Property Development Company Limited (成都春天房地產開發有限公司) which shall undertake, among other things, the assignment of all profits generated from certain properties to Qingyang Renhe Chuntian;
- (3) the full repayment of all receivables between related parties of Qingyang Renhe Chuntian and Qingyang Renhe Chuntian as detailed in the Qingyang Renhe Chuntian Agreement;
- (4) the obtaining of all necessary consents, authorisations and approvals from related third parties to Qingyang Renhe Chuntian (including but not limited to banks) for the acquisition of Qingyang Renhe Chuntian, and there having been no third parties' rights that will impede the acquisition of Qingyang Renhe Chuntian;
- (5) the issue of a written undertaking by the relevant suppliers and Grand Collection undertaking that upon Completion, in the event that Qingyang Renhe Chuntian is liable to any payment in respect of any ongoing litigations as detailed in the Qingyang Renhe Chuntian Agreement, the supplier(s) involved in the litigations shall fully indemnify Qingyang Renhe Chuntian. In the event that the relevant supplier(s) fails to indemnify Qingyang Renhe Chuntian, Grand Collection shall undertake to fully indemnify Qingyang Renhe Chuntian;
- (6) the obtaining of all necessary approvals by Qingyang Renhe Chuntian, including but not limited to undertaking concentration approvals by the Ministry of Commerce, and change of share capital approvals for Foreign Invested Enterprise by the relevant commerce authorities;

- (7) there having been no judgment, ruling or order issued by all relevant judicial authorities, approval bodies or regulatory bodies, and no newly promulgated law or amendment to the existing law, which shall render the Qingyang Renhe Chuntian Agreement and the transactions contemplated thereunder illegal or prohibited;
- (8) the representations and undertakings being true, accurate and complete in all respects; and
- (9) there having been no breach and no relevant evidence suggesting there will be any breach of the Qingyang Renhe Chuntian Agreement.

### ***Longstop date***

Unless otherwise agreed, if the condition precedents set out above are not satisfied within 6 months after the Qingyang Renhe Chuntian Agreement becomes effective, Chengshang Holding shall be entitled to terminate the Qingyang Renhe Chuntian Agreement and any other ancillary documents in which case Grand Collection shall return all payment to Chengshang Holding.

### ***Exclusivity***

The parties have agreed that the rights of each party under the Qingyang Renhe Chuntian Agreement, whether in whole or in part, shall not be transferred or assigned in any way to any third party.

## **INFORMATION ON THE TARGETS OF THE ACQUISITIONS**

### **(i) *Chengdu Renhe Chuntian***

Chengdu Renhe Chuntian is principally engaged in department store retail business, operating Renhe Spring Department Store Rendong Branch (仁和春天百貨有限公司人東店) at No.1, Binlong Street, Jinjiang, Chengdu (成都市錦江區賓隆街1號). It mainly operates department stores and restaurants.

Based on the unaudited accounts of Chengdu Renhe Chuntian prepared based on PRC Accounting Standards for Business Enterprises, the unaudited net profit (before taxation) and the unaudited net profit (after taxation) of Chengdu Renhe

Chuntian for each of the financial years ended 31 December 2013 and 2014 are as follows:

	<b>For the year ended 31 December 2014 (unaudited) RMB</b>	<b>For the year ended 31 December 2013 (unaudited) RMB</b>
Net profit before taxation	155,145,900	141,558,000
Net profit after taxation	116,337,700	105,837,900

The unaudited total asset value of Chengdu Renhe Chuntian as at 31 December 2014 was approximately RMB1,390,025,500.

A valuation will be conducted by the Valuer in accordance with the requirements of the CSRC. The valuation of Chengdu Renhe Chuntian will constitute a profit forecast under Rule 14.61 of the Listing Rules, and is subject to further requirements in compliance with Rules 14.62 and 14.66(2) where further information will be included in the circular to be published in relation to the acquisition of equity interests in Chengdu Renhe Chuntian.

(ii) ***Qingyang Renhe Chuntian***

Qingyang Renhe Chuntian is principally engaged in department store retail business, operating Renhe Spring Department Store Guanghua Branch (仁和春天百貨有限公司光華店) at No.19, 2nd Section, West 2nd Ring Road, Chengdu (成都市二環路西二段19號). It operates supermarkets, department stores, cinemas and restaurants.

Based on the unaudited accounts of Qingyang Renhe Chuntian prepared based on PRC Accounting Standards for Business Enterprises, the unaudited net profit (before taxation) and the unaudited net profit (after taxation) of Qingyang Renhe Chuntian for each of the financial years ended 31 December 2013 and 2014 are as follows:

	<b>For the year ended 31 December 2014 (unaudited) RMB</b>	<b>For the year ended 31 December 2013 (unaudited) RMB</b>
Net profit before taxation	216,164,000	202,761,800
Net profit after taxation	162,081,400	152,050,300

The unaudited total asset value of the Qingyang Renhe Chuntian as at 31 December 2014 was approximately RMB599,866,400.

A valuation will be conducted by the Valuer in accordance with the requirements of the CSRC. The valuation of Qingyang Renhe Chuntian will constitute a profit forecast under Rule 14.61 of the Listing Rules, and is subject to further requirements in compliance with Rules 14.62 and 14.66(2) where further information will be included in the circular to be published in relation to the acquisition of equity interests in Qingyang Renhe Chuntian.

## **REASONS AND BENEFITS FOR THE ACQUISITIONS**

The reasons and benefits for the Acquisitions are as follows:

- (1) Developing synergies and lowering operating costs: Chengdu Renhe Chuntian and Qingyang Renhe Chuntian are both located in the central district of Chengdu with affluent commerce resources. Upon Completion, Chengshang will further increase its market share in Chengdu and thus its bargaining power is expected to be enhanced. In addition, Chengshang will have more initiatives in the planning and expansion of brand when marketing its products. Based on effective consolidation of the businesses and through the synergies developed, the Acquisitions help the Group to reduce its operating costs.
- (2) Complementing the Group's business and increasing the Group's competitiveness: Chengdu Renhe Chuntian and Qingyang Renhe Chuntian are both principally engaged in the operation of department stores, targeting medium- to high-end markets, which can complement the existing medium-end market business of Chengshang. Through the Acquisitions, the Group will significantly enhance its market influence in the southwest region, as well as further enhance its advantages in economies of scale, commercial resources, sales channels and branding. The Acquisitions will help the Group to increase its operating scale, market share and market influence significantly in the southwest region, which in turn, can further enhance the Group's competitiveness.

The Directors consider that the Acquisitions are fair and reasonable and in the interests of the Shareholders as a whole.

## **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.

### ***Chengshang Holding***

Chengshang Holding is a company incorporated in the PRC and is a wholly-owned subsidiary of Chengshang, which is in turn a subsidiary of the Company and a joint stock limited company established in the PRC, whose shares are listed on The Shanghai Stock Exchange (stock code: 600828). Chengshang is principally engaged in the operation of department stores.

### ***Renhe Industrial***

Renhe Industrial is principally engaged in investment holding and operating retail stores.

### ***Grand Collection***

Grand Collection is principally engaged in investment holding.

## **LISTING RULES IMPLICATIONS**

As the percentage ratios pursuant to the Listing Rules applicable to the Acquisitions referred to above exceed 25% but are less than 100%, the Acquisitions constitute a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, an independent valuer has to determine the respective fair value estimate of the valuation of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian for the determining of consideration payable for the relevant Acquisitions. This fair value estimate constitutes a profit forecast under Rule 14.61 of the Listing Rules. The Company will submit the relevant documents to the Stock Exchange in accordance with the requirements under Rule 14.62 of the Listing Rules, which sets out, among other things, the principal assumptions, including commercial assumptions, upon which the valuation is based; a letter from the Board setting out the confirmation that the valuation is made after due and careful enquiry; and the letter from the Company's reporting accountants confirming the results of its review of the accounting policies and calculations for the valuation as required by the Listing Rules. In order to allow sufficient time to finalise the valuation report of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian, respectively, the Company has applied to the Stock Exchange for a waiver from strict compliance with the timing requirement under Rule 14.62 of the Listing Rules, which requires the Company to

submit the aforementioned additional information no later than the date of this announcement. The Company expects to submit such information to the Stock Exchange on or before 30 November 2015 and will include the same in the circular.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Acquisitions and none of the Shareholders is required to abstain from voting in favour of the resolution approving the Acquisitions. Pursuant to Rule 14.44 of the Listing Rules, written shareholders' approval by Maoye Department Store Investment Limited, the holder of 4,200,000,000 Shares as at the date of this announcement (representing approximately 81.69% of the total issued share capital of the Company), will be obtained in lieu of holding a general meeting of the Company to approve the Acquisitions. Accordingly, no extraordinary general meeting of the Company will be convened for the purposes of approving the Acquisitions and the transactions contemplated thereunder.

## **GENERAL**

A circular containing, among other things, (i) further information relating to the Acquisitions and the transactions contemplated thereunder; (ii) financial and other information of the Group; (iii) financial and other information of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian; and (iv) pro forma financial information of the enlarged Group upon completion of the Acquisitions will be despatched to the Shareholders. In order to allow sufficient time to prepare the financial and other information to be included in the circular, 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. Accordingly, the circular is expected to be despatched to the Shareholders on or before 4 December 2015. The reasons for the circular to be despatched more than 15 business days after the date of this announcement are (i) additional time is required to prepare the financial information to be included in the circular in connection with the Acquisitions; (ii) additional time is required for the preparation of audited financial information of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian; and (iii) extra time is required to finalise the formal valuation report of Chengdu Renhe Chuntian and Qingyang Renhe Chuntian, which forms the basis of the consideration under the Agreements, which in turn, will impact, amongst others, the timing of the letter from the reporting accountants of the Company and the letter from the Board issued in compliance with Rule 14.62 of the Listing Rules.

**Shareholders and potential investors of the Company should be aware that the completion of the Acquisitions are subject to satisfaction (or, if applicable, waiver) of certain conditions and consequently the Acquisitions may or may not proceed. Accordingly, they are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

“Acquisitions”	the sale and purchase of the equity interests in Chengdu Renhe Chuntian and Qingyang Renhe Chuntian by the Sellers to Chengshang Holding, respectively, pursuant to the respective Agreements
”Agreements”	the Chengdu Renhe Chuntian Agreement and the Qingyang Renhe Chuntian Agreement
“Board”	the board of Directors
“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
“Chengdu Renhe Chuntian”	Chengdu Renhe Chuntian Department Store Ltd. (成都仁和春天百貨有限公司), a company established in the PRC
“Chengdu Renhe Chuntian Agreement”	the agreement dated 16 October 2015 entered into between Chengshang Holding and Renhe Industrial pursuant to which Chengshang Holding will purchase and Renhe Industrial will sell 100% of the equity interests in Chengdu Renhe Chuntian
“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)
“Chengshang Holding”	Chengshang Group Holding Co., Ltd. (成商集團控股有限公司), a wholly-owned subsidiary of Chengshang
”Completion”	the completion of the respective Acquisition

“CSRC”	China Securities Regulatory Commission
“Directors”	the directors of the Company
“Grand Collection”	Grand Collection Limited (紀高有限公司), a company incorporated in Hong Kong
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chen”	Mr. Chen Liren (陳立仁)
“PRC”	The People’s Republic of China
“Qingyang Renhe Chuntian”	Chengdu Qingyang District Renhe Chuntian Department Store Ltd. (成都青羊區仁和春天百貨有限公司), a company established in the PRC
“Qingyang Renhe Chuntian Agreement”	the agreement dated 16 October 2015 entered into between Chengshang Holding and Grand Collection pursuant to which Chengshang Holding will purchase and Grand Collection will sell 100% of the equity interests in Qingyang Renhe Chuntian
“Renhe Industrial”	Chengdu Renhe Industrial (Group) Limited (成都仁和實業(集團)有限公司), a company established in the PRC
“RMB”	Renminbi, the lawful currency in the PRC
“Seller(s)”	the sellers under the respective Agreements, namely, Renhe Industrial and Grand Collection
“Shares”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Valuer”

an independent third party valuer to be appointed in compliance with the requirements of the CSRC

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

Hong Kong, 16 October 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.*