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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)

**PROFIT WARNING**

This announcement is made by Maoye International Holdings Limited (“the **Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that the Group expects that the net profits of the Company for the six months ended 30 June 2016 will represent a material decrease as compared with the corresponding period in 2015. Such decrease is mainly attributable to:

- (1) the decrease in same-store concessionaire sales due to factors such as weak consumer demand and threats from e-commerce retailers;
- (2) the increase in finance cost of the Group of approximately RMB 200 million due to the increase in total liabilities incurred from seizing the opportunities of acquiring high quality shopping Centre targets including Chendu Renhe Chuntian, Qingyang Renhe Chuntian and Inner Mongolia Victoria during the economic depression and the significant depreciation of Renminbi against United States Dollars;
- (3) the decrease in revenue from sale of properties of approximately RMB 260 million (the revenue from sale of properties for the same period in 2015 was RMB 368 million) as delivery of some of the new sale of properties had not taken place and therefore the revenue from the relevant sales cannot be recognised as revenue for the period, despite the improvement of the advance sale in the Group's real estate business compared to 2015. As at 30 June 2016, the Group had advanced sale of properties of approximately RMB 1.46 billion and some of which are expected to be recognised as revenue in the second half of 2016; and
- (4) for the same period in 2015, the Company recognised a one-off net profit of approximately RMB 162 million from the disposal of 5% equity interests in Shenyang Commercial City Co., Ltd. and no such one-off net profit is recorded in the same period in 2016.

In the second half of 2016, the Group will: (1) strengthen the integration of the

companies merged and acquired from the perspective of management, system and human resources in order to maximize the synergy effect from the mergers and acquisitions; (2) accelerate the transformation from department stores to shopping malls; (3) accelerate the sale of properties and focus on procuring that properties are constructed according to schedule, and revenue derived from the sale of properties are recognised in a timely manner. Meanwhile, the Group will accelerate the disposal of non-core assets to reduce its financial leverage and reduce the finance costs accordingly.

The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to it and such information has not been audited or reviewed by the Company's auditors. The Company is in the process of finalising the Group's unaudited consolidated results for the six months ended 30 June 2016. Shareholders of the Company and potential investors are advised to read the announcement of the interim results of the Company for the six months ended 30 June 2016 carefully, which is expected to be released on 29 August 2016.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 11 August 2016

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