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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)

US\$300,000,000 7.00% Senior Notes due 2018

(Stock Code: 5298)

INSIDE INFORMATION

(1) PRELIMINARY FINANCIAL RESULTS OF MAOYE COMMERCIAL CO., LTD.;

(2) POSITIVE PROFIT ALERT;

AND

(3) RESUMPTION OF TRADING

This announcement is made by Maoye International Holdings Limited (the "**Company**", together with its subsidiaries the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") 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**") announces that, on 30 January 2018, Maoye Commercial Co., Ltd., a joint stock company established in the People's Republic of China, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600828) and a non-wholly owned subsidiary of the Company ("**Maoye Commercial**"), announced the preliminary assessment of its financial results for the year ended 2017.

Based on the financial information currently available to Maoye Commercial, it is estimated that the net profits attributable to its shareholders will increase by RMB524,970,000 to RMB634,970,000, representing an year-on-year increase by 92% to 112%, whereas the net profits attributable to its shareholders excluding extraordinary items will increase by RMB395,680,000 to RMB426,680,000, representing an year-on-year increase by 88% to 95%.

The above preliminary assessment of the financial results of Maoye Commercial is subject to audit by the auditors of Maoye Commercial.

The increase in the net profits of Maoye Commercial is mainly attributable to the following factors:

1. Maoye Commercial has benefited from its proactive consolidation of stores during the year, as such the revenue and profits in the Southern China region and Inner Mongolia Victoria Commercial (Group) Co., Ltd. ("**Inner Mongolia Victoria**") has shown significant growth compared to the same period in 2016;
2. The net gain arising from the material asset restructuring of Chongqing Pharmaceutical (Group) Co., Ltd. ("**Chongqing Pharmaceutical**"), a company which Maoye Commercial held as equity investment, involving the acquisition by Chongqing Jianfeng Chemical Co., Ltd. ("**Chongqing Jianfeng**") of 96.59% shareholding of Chongqing Pharmaceutical (the "**Chongqing Pharmaceutical Restructuring**"). As a result of the Chongqing Pharmaceutical Restructuring, Maoye Commercial becomes interested in the shares of Chongqing Jianfeng and recorded a net gain on investment.; and
3. Certain subsidiaries of Maoye Commercial, being Chengdu Renhe Chuntian Department Store Ltd., Chengdu Qingyang District Renhe Chuntian Department Store Ltd. (collectively, "**Renhe Chuntian Stores**") and Inner Mongolia Victoria were acquired by Maoye Commercial during the 2016 financial year and therefore the financial results of Maoye Commercial for the year ended 2016 did not take into account the net profits for the full financial year from such subsidiaries. However, the net profits for the full financial year in 2017 from such subsidiaries are to be accounted for by Maoye Commercial.

The Board further announces that, based on a preliminary review of the consolidated management accounts of the Group for the year ended 31 December 2017, the Group expects to record approximately RMB1,100 million to RMB1,300 million in the consolidated net profit for the year ended 31 December 2017, representing a significant increase in the consolidated net profit of approximately RMB988 million to RMB1,188 million as compared to the financial year ended 2016. Such result is mainly attributable to:

1. The increase in revenue and profit from the significant growth of the Southern China region and Inner Mongolia Victoria and the full consolidation of Renhe Chuntian Stores and Inner Mongolia's net profits in 2017 into the annual result of the Group;
2. The net gain on investment arising from the Chongqing Pharmaceutical Restructuring; and
3. The Group recognized a one-off net investment gains of approximately RMB460 million (after deducting taxes and transaction costs) from the disposal of part of the equity interests of Maoye Communication and Network Co., Ltd in the first half of 2017.

The above financial information in relation to the Company 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 auditors and the audit committee of the Company. The Company is in the process of finalising the unaudited consolidated results for the year ended 31 December 2017. The consolidated results of the Group for the year ended 31 December 2017 is expected to be announced by the Company in March 2018.

RESUMPTION OF TRADING

Trading in the shares and senior notes of the Company on the Stock Exchange has been halted since 31 January 2018 at 9:04 a.m. Application has been made to the Stock Exchange for resumption of trading of the shares and senior notes of the Company with effect from 9:00 a.m. on 1 February 2018.

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, 31 January 2018

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