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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)**

## **INSIDE INFORMATION**

### **PROPOSED ISSUE OF EXCHANGEABLE BONDS BY MAOYE SHANGSHA**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that on 26 March 2018, the board of directors of Maoye Shangsha, a wholly-owned subsidiary of the Company, has approved the proposed issue of the Exchangeable Bonds with an aggregate principal amount not exceeding RMB1,100,000,000. The Exchangeable Bonds may be exchangeable into Maoye Commercial Shares by the holders subject to the terms and conditions thereof. It is expected that the Exchangeable Bonds will be issued by way of non-public offering in the PRC two tranches with a maturity of three years, of which the first tranche ("**Tranche A**") will not exceed RMB550,000,000 and the second tranche ("**Tranche B**") will not exceed RMB550,000,000.

*As no binding agreement in relation to the proposed issue of the Exchangeable Bonds has been entered into as at the date of this announcement and the proposed issue of the Exchangeable Bonds is subject to, amongst others, the approvals of the relevant government authorities, the proposed issue of the Exchangeable Bonds may or may not proceed. Investors and shareholders of the Company should exercise caution when dealing in the securities of the Company.*

*Further announcement(s) will be made by the Company in accordance with the Listing Rules in relation to the issue of the Exchangeable Bonds as and when necessary.*

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## Introduction

The Board announces that on 26 March 2018, the board of directors of Maoye Shangsha, a wholly-owned subsidiary of the Company, has approved the proposed issue of the Exchangeable Bonds.

## Principal terms of the Exchangeable Bonds

The principal terms of the Exchangeable Bonds as approved by the board of directors of Maoye Shangsha are set out below:

Principal amount:	The aggregate principal amount will not exceed RMB1,100,000,000
Place of issue:	The PRC
Issue method:	To be issued by way of non-public offering in two tranches: Tranche A and Tranche B
Maturity:	Three years
Interest rate:	<p>Tranche A: Interest rate will increase on an annual basis. The exact rates will be determined by the chairman of Maoye Shangsha under the authorization of the board of directors of Maoye Shangsha depending on market conditions after negotiation with the underwriter.</p> <p>Tranche B: Fixed interest rate. The exact rate will be determined by the chairman of Maoye Shangsha under the authorization of the board of directors of Maoye Shangsha depending on market conditions after negotiation with the underwriter.</p>
Initial conversion price:	The initial conversion price shall be not lower than (i) 90% of the average closing price per Maoye Commercial Share as quoted on the Shanghai Stock Exchange for the 20 consecutive trading days immediately preceding the date of the issuance of the Exchangeable Bonds (the average closing price may be adjusted in case of ex-rights or ex-dividend with respect to Maoye Commercial Share during the foresaid period) ; and (ii) 90% of the closing price per Maoye Commercial Share as quoted on the Shanghai Stock Exchange for the trading day immediately preceding the date of the issuance of the Exchangeable Bonds
Conversion period:	<p>Tranche A: Any day from the first trading date immediately following 6 months of the issuance of the Exchangeable Bonds and up to including the maturity date of the Exchangeable Bonds</p> <p>Tranche B: Any day from the later of (i) the first trading date immediately following 12 months of the issuance of the Exchangeable Bonds and (ii) the first trading date immediately following 42 months of Maoye Shangsha's subscription of Maoye Commercial Shares in February 2016 and up to including the maturity date of the Exchangeable Bonds</p>
Listing of the Exchangeable Bonds:	The Exchangeable Bonds are expected to be listed on the Shanghai Stock Exchange
Guarantee:	Maoye Commercial Shares will be pledged to the trustee of the Exchangeable Bonds as guarantee

Underwriter:	An underwriter will be engaged to assist Maoye Shangsha in relation to the registration, sale and other post-completion management matters in connection with the issue of the Exchangeable Bonds
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The above terms of the Exchangeable Bonds are subject to changes based on market conditions and such changes as may be determined by the board of directors of Maoye Shangsha. In addition, the issuance of the Exchangeable Bonds is subject to approval by the relevant government authorities in the PRC.

## **Reasons for and Benefits of the proposed issue of the Exchangeable Bonds and Use of Proceeds**

The Directors (including the independent non-executive Directors) consider that the proposed issue of the Exchangeable Bonds represents a good opportunity for the Group to raise additional funds to strengthen its capital base and financial position. The Directors (including the independent non-executive Directors) are of the view that the proposed issue of the Exchangeable bonds is in the interest of the Group and shareholders of the Group as a whole. The Group intends to use the net proceeds of the issue of the Exchangeable Bonds to repay a portion of its existing indebtedness and enhance its general working capital.

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*Further announcement(s) will be made by the Company in accordance with the Listing Rules in relation to the issue of the Exchangeable Bonds as and when necessary.*

## **Definitions**

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

"Board"	the board of Directors
"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
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maoye Commercial"	Maoye Commercial Co., Ltd. (茂業商業股份有限公司), a joint stock company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600828) and a non-wholly owned

	subsidiary of the Company
"Maoye Commercial Shares"	A share(s) of par value of RMB1.00 each of Maoye Commercial
"Maoye Shangsha"	Shenzhen Maoye Trade Building Co. Ltd. (深圳茂業商廈有限公司), a wholly-owned subsidiary of the Company
"PRC"	the People's Republic of China and for the purposes of this announcement, excluding Hong Kong, the Macau and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 26 March 2018

*As at the date of this announcement, the board 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*