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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
THE PROPOSED PROVISION OF GUARANTEE**

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).

PROPOSED PROVISION OF GUARANTEE

The Board announces that on 11 April 2018, Maoye Commercial, a non-wholly owned subsidiary of the Company, has approved the proposed entering into of the Construction Bank Guarantee Agreement, pursuant to which Maoye Commercial proposed to agree to provide a guarantee up to the amount of RMB396,000,000 in favour of Construction Bank in respect of the repayment obligations under the mortgage loans to be granted to the Purchasers by Construction Bank, from the sale of the Properties by Maoye Commercial.

The proposed entering into of the Construction Bank Guarantee Agreement is subject to, amongst others, the shareholders' approval of Maoye Commercial. Therefore, the proposed entering into of the Construction Bank Guarantee Agreement may or may not proceed. Investors and Shareholders 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 entering into of the Construction Bank Guarantee Agreement 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 11 April 2018, Maoye Commercial, a non-wholly owned subsidiary of the Company, has approved the proposed entering into of the Construction Bank Guarantee Agreement, pursuant to which Maoye Commercial proposed to agree to provide a guarantee up to the amount of RMB396,000,000 in favour of Construction Bank in respect of the repayment obligations under the mortgage loans to be granted to the Purchasers by Construction Bank, from the sale of the Properties by Maoye Commercial.

Details of the proposed terms of the Construction Bank Guarantee Agreement are set out below:

Parties:	<p>(i) Construction Bank, as lender</p> <p>(ii) Maoye Commercial, as guarantor</p>
Guarantee:	<p>Maoye Commercial proposed to agree to provide a guarantee up to the amount of RMB396,000,000 in favour of Construction Bank in respect of the repayment obligations under the mortgage loans to be granted to the Purchasers by Construction Bank from the sale of the Properties by Maoye Commercial.</p> <p>The Properties to be sold to the Purchasers who take out mortgage loan from Construction Bank will be mortgaged to Construction Bank under the relevant mortgage agreements as securities of the mortgage loans.</p> <p>The repayment obligations of the Purchasers proposed to be guaranteed by Maoye Commercial under the mortgage loans to be granted by Construction Bank include the principal amount, accrued interest thereon (including penalty interest and compound interest), default payment, damages and all expenses arising from the enforcement of rights by Construction Bank under the relevant mortgage loan agreements including but not limited to litigation, arbitration expenses, valuation fees, auction fees and lawyers' fees.</p> <p>The terms of the Construction Bank Guarantee Agreement, including the guarantee amount, were negotiated on an arm's length basis and on normal commercial terms. The proposed guarantee amount was determined with reference to the amount of mortgage loans to be granted to the Purchasers, which is based on the prevailing market price of the Properties, and the amount which would be incurred by the Purchasers from the repayment obligations under the relevant mortgage agreements.</p>
Term:	<p>Maoye Commercial's obligation to guarantee the relevant mortgage loans of the Purchasers will commence from the date on which Construction Bank releases the loan amount under the mortgage agreements to the relevant Purchasers and will terminate when Construction Bank receives the relevant valid title deeds and documents of the Properties and completes the registration of the relevant mortgages.</p>

Source of funding for the fulfillment of the guarantee:	Any payment obligations of Maoye Commercial arising from the Construction Bank Guarantee Agreement will be satisfied by internal resources of the Group.
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REASONS FOR AND BENEFITS OF THE PROPOSED PROVISION OF THE GUARANTEE

Maoye Commercial has developed the Maoye Haoyuan(茂業豪園)Sale Project under which Maoye Commercial will sell certain commercial and residential properties in Chengdu city of the PRC. The Board believes that the proposed provision of the Guarantee by Maoye Commercial in favour of Construction Bank to guarantee the repayment obligations of the Purchasers will be beneficial to facilitate the sale of Properties and realize the capital recovery.

The Board is also of the view that the proposed provision of the Guarantee is in line with the relevant policy requirements and the usual commercial practice in the property sale business in the PRC. The Directors (including the independent non-executive Directors) consider that the terms of the Construction Bank Guarantee Agreement and the transactions contemplated thereunder are normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

INFOMRATION ON THE PARTIES

Construction Bank

Construction Bank is the Chengdu Minjiang branch of China Construction Bank Corporation, a joint stock commercial bank in the PRC, the shares of which are listed on the Stock Exchange (stock code: 939) and the Shanghai Stock Exchange (stock code: 601939).

Maoye Commercial

Maoye Commercial is 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 is principally engaged in the operation of department stores.

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. The Company is focused on developing more department stores, mainly in the second and third-tier cities and in the most economically developed regions and regions with high economic growth in the PRC.

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Further announcement(s) will be made by the Company in accordance with the Listing Rules in relation to the entering into of the Construction Bank Guarantee Agreement as and when necessary.

DEFINITIONS

The following words and phrases used in this announcement have the same meanings assigned:

"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
"Construction Bank"	the Chengdu Minjiang branch of China Construction Bank Corporation
"Construction Bank Guarantee Agreement"	the proposed guarantee agreement to be entered into between Maoye Commercial and Construction Bank
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Guarantee"	the repayment obligations of the Purchasers proposed to be guaranteed by Maoye Commercial under Construction Bank Guarantee Agreement
"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 limited 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 Haoyuan Sale Project"	the sale of residential and commercial properties named "Maoye Haoyuan"(茂業豪園)in the Jin Jiang area of Chengdu city (成都市錦江區) of the PRC by Maoye Commercial
"PRC"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Properties"	the certain properties to be sold under the Maoye Haoyuan Sale Project
"Purchasers"	the purchasers of the Properties who will obtain mortgage loans from Construction Bank to fund such purchases
"RMB"	Renminbi, the lawful currency of the PRC

“Shareholder(s)”

the shareholders of the Company

“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, 11 April 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.