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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)**

**VOLUNTARY ANNOUNCEMENT**

**THE ACQUISITION OF A COMPANY TO OPEN  
A NEW DEPARTMENT STORE  
IN HEZE CITY, SHANGDONG PROVINCE**

This announcement is made voluntarily by the Company.

The Board of the Company is pleased to announce that Chengshang Group (a subsidiary of the Group) entered into an equity transfer agreement (the "Agreement") with Heze Group (an independent third party) on 18 March 2011. Pursuant to the Agreement, Chengshang Group has successfully acquired from Heze Group, through public auction, 90% of the equity interests of the Target Company which is a wholly-owned subsidiary of Heze Group (the "Target Interest") at a consideration of RMB134,100,000 through Heze Xinghe State-owned Property Rights Trading Co., Ltd. (荷澤市興荷國有產權交易有限責任公司) (the "Trading Company").

The Target Company has the ownership and operation right of Huihe Commercial Plaza (惠和商業廣場), the gross floor area of which is approximately 29,426 square metres. It has also leased and operated Dongfanghong Supermarket (東方紅超市) with gross floor area of approximately 12,000 square metres and three community convenience stores with an aggregate gross floor area of approximately 200 square metres. Huihe Commercial Plaza's predecessor is the old Nanhua Shopping Plaza (南華購物廣場) in Heze City which is also the first department store shopping mall in Heze City. Huihe Commercial Plaza, which is located in the major department store business circle in Heze City, enjoys a good reputation in the city and is well-received by citizens in Heze City. After the completion of the acquisition of the Target Company, Chengshang Group plans to operate a department store in Huihe Commercial Plaza.

The State-owned Assets Supervision and Administration Commission of the People's Government of Heze (荷澤市人民政府國有資產監督管理委員會) engaged Shandong Zhonghui Asset Appraisal Co., Ltd. (山東中慧資產評估事務所有限公司) to conduct valuation with respect to the assets and liabilities of the Target Company. The valuation was conducted based on the market method and the cost method and the value of the assets and liabilities of the Target Company as of 28 February 2011 was used as the benchmark for such appraisal. The appraised value of the assets of the Target Company (which include the land, real estate (excluding the renovation works of the 5th floor of Dongfanghong Store), equipment, office furniture and others (including low-value consumables) of the Target Company (but excluding the value of the current assets and the liabilities of the Target Company)) is RMB148,077,400. The appraised value (excluding the value of the current assets and the liabilities of the Target Company) which is attributable to the Target Interest is RMB 133,269,660 (the "Asset Appraised Value"). The consideration is determined with reference to the Asset Appraised Value and has been arrived at through public listing. The Target Interest is not subject to any guarantees, charges, pledges and other transfer restrictions and the Target Company does not involve in any litigation, arbitration or judicial enforcement and other major dispute relating to the aforesaid equity interests.

The consideration shall be paid in various installments set out as follows:

1. Chengshang Group shall pay the first installment of the consideration of an amount of RMB100,000,000 to Heze Group within five working days following the entering into of the Agreement;
2. Chengshang Group shall pay the second installment of the consideration of an amount of RMB24,100,000 to Heze Group within five working days after all the formalities of transfer and change of name in respect of the Target Interest are completed by Heze Group;
3. The upfront deposit of RMB10,000,000 previously paid by Chengshang Group to the Trading Company, after deducting the commission of the Trading Company, shall become part of the consideration payable to the Heze Group by Chengshang Group, while any shortfall amount thereof shall be paid by Chengshang Group.

Our Directors consider that the acquisition is another major achievement for the Group's expansion of its business in the Shandong Province. Our Directors believe that the acquisition is beneficial in reinforcing the business development of the Group in the Shandong Province and further consolidating the Group's market position in the Eastern China.

## Definitions

“the 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;
“Chengshang Group”	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 under the PRC laws and listed on the Shanghai Stock Exchange (Stock Code: 600828). As at the date of this announcement, the Company holds 244,176,842 shares of the Chengshang Group through Maoye Shangsha, representing approximately 66.78% of its issued share capital;
“the Group”	the Company and its subsidiaries;
“Heze Group”	Heze Traffic Group Corporation (荷澤交通集團總公司), a company incorporated in the PRC with limited liability and an independent third party;
“Maoye Shangsha”	Shenzhen Maoye Shangsha Company Limited (深圳茂業商厦有限公司), a wholly-owned subsidiary of the Company incorporated in the PRC;
“PRC”	the People’s Republic of China; and
“Target Company”	Heze Huihe Commercial Centre Co., Ltd. (荷澤惠和商業中心有限公司), a wholly-owned subsidiary of Heze Group and a company incorporated in the PRC with limited liability and engages in department store retail operations.

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

Hong Kong, 22 March 2011

*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.*