

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MEIKE INTERNATIONAL HOLDINGS LIMITED **美克國際控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00953)

INSIDE INFORMATION AND PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board announces that due to sluggish sportswear market and the intensive competition within the sportswear industry in the People's Republic of China, the Group decided to provide a one-off subsidy to 19 distributors. The total amount of subsidy to be granted will be approximately RMB51,000,000 and shall be settled by way of setting off against the amounts due from these distributors to the Group. It is expected that the Group's financial results is likely to be deteriorated for the year ending 31 December 2013, as compared to the loss of the Group for the year ended 31 December 2012 due to the grant of the subsidy.

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

This announcement is made by Meike International Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that due to sluggish sportswear market and the intensive competition within the sportswear industry in the People's Republic of China, the Group decided to provide a one-off subsidy to 19 distributors. The total amount of subsidy to be granted will be approximately RMB51,000,000 (the “**Subsidy**”) and shall be settled by way of setting off against the amounts due from these distributors to the Group.

The purpose of the Subsidy is to:

- (i) support the retail terminals to improve and have better integration and to enhance the outlets' image through re-design and renovation of approximately 450 Meike retail stores' in order to attract more customers and stimulate the sales of our Meike brand products going forward;
- (ii) support the distributors to clear off excessive inventories of the retail terminals, to close down certain retail stores with significant losses or significant drop in sales and also focus on operating high quality retail terminals, in order to speed up the pace of our integration programme to enhance the efficiency as well as profitability of the distributors and of the Group;
- (iii) support the distributors in providing training, including promotion and marketing skills of the salespersons to improve the quality of services to attract more customers and hence increase the turnover of Meike retail stores.

After a preliminary review on the Group's unaudited consolidated management accounts and assessment of information currently available (which have not been confirmed or audited by the Company's auditors), it is expected that the Group's financial results is likely to be deteriorated for the year ending 31 December 2013 as compared to the loss of the Group for the year ended 31 December 2012 due to the grant of the Subsidy.

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

By Order of the Board
Meike International Holdings Limited
Ding Siqiang
Chairman

Hong Kong, 11 October 2013

As at the date of this announcement, the executive Directors are Mr. Ding Siqiang (Chairman), Ms. Ding Xueleng, Ms. Ding Jinzhu, Mr. Lin Yangshan, Mr. Li Dongxing and Mr. Ding Minglang; and the independent non-executive Directors are Ms. Qiu Qiuxing, Mr. Yang Chengjie and Mr. Lin Jiwu.