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This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



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北京物美商業集團股份有限公司
WUMART STORES, INC.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 08277)

ANNOUNCEMENT

Reference is made to the announcement of the Company dated 12 August 2009 in relation to the Proposed Issue of H Shares and Domestic Shares (the “Announcement”). Unless otherwise defined, the terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Company, TPG and FS (“H Share Investors”) entered into the H Shares Subscription Agreement on 12 August 2009, pursuant to which, the Company conditionally agreed to allot and issue to TPG and FS, and TPG and FS conditionally agreed to subscribe for 84,552,000 H Subscription Shares and 15,448,000 H Subscription Shares, respectively.

CSRC has recently issued its approval relating to the additional issue of overseas-listed foreign shares by the Company pursuant to the general mandate of the Company. During the approval period, as a result of the further relaxation of the domestic credit lending policy facilitating the Company to obtain funds to support its expansion, the Company decides to revise the issue size of the Domestic Subscription Shares, and the Company and H Share Investors have agreed to revise the issue size of the H Subscription Shares.

As such, on 7 May 2010, the Company, TPG, Wealth Retail Holdings Limited (“WR”), a wholly-owned subsidiary of TPG, and FS entered into the “Deed of Amendment relating to H Shares of Wumart Stores, Inc.” (the “Deed of Amendment”), pursuant to which WR and FS, as the H subscribers (the “H Subscribers”), will subscribe for the H Subscription Shares, and 25,000,000 and 5,000,000 H Subscription Shares will be issued to WR and FS, respectively, by the Company.

As the total number of H Subscription Shares to be issued to WR and FS is reduced, the Deed of Amendment covered certain terms of the Investment Agreement in relation to the Board and its corporate governance (please refer to the relevant sections of the Announcement for details), and the other terms of the Investment Agreement are no longer applicable, the Company, TPG, FS, Legend and Hony Capital unanimously agreed to cancel the Investment Agreement and entered into a deed of cancellation (the “Deed of Cancellation”).

The Company completed the issue of a total of 30,926,116 Domestic Subscription Shares to Legend and Hony Capital pursuant to the Domestic Subscription Agreement (for details please refer to the announcement dated 17 September 2009). The Board hereby confirms that the Domestic Subscription Shares issued as aforesaid are all the domestic shares that would be issued by the Company under the Domestic Subscription Agreement and the remaining 19,073,884 Domestic Subscription Shares to be issued under the Domestic Subscription Agreement will not be issued.

The Directors reconfirm that the introduction of international and domestic institutional investors such as TPG, Legend and Hony Capital, is conducive to accelerating the growth of the Company and elevating the standard of the Company’s corporate governance. The Board considers that revising the issue size of the H Subscription Shares and Domestic Subscription Shares is in the interests of the Shareholders as a whole.

Reference is made to the Announcement of the Company dated 12 August 2009 in relation to the Proposed Issue of H Shares and Domestic Shares. Unless otherwise defined, the terms used in this announcement shall have the same meanings as those defined in the Announcement.

On 12 August 2009, the Company, TPG and FS entered into the H Shares Subscription Agreement and the Investment Agreement. CSRC has recently issued its approval relating to the additional issue of overseas-listed foreign shares by the Company pursuant to the general mandate of the Company. Due to the continuous improvements in the Company’s financing channels, the Company, TPG, WR and FS entered into the Deed of Amendment to amend the H Shares Subscription Agreement on 7 May 2010.

DEED OF AMENDMENT

Date:

7 May 2010

Parties:

- a) the Company
- b) TPG
- c) WR
- d) FS

Material amendments to the H Shares Subscription Agreement:

- (1) Pursuant to the H Shares Subscription Agreement, TPG may novate all of its rights and obligations set out in the H Shares Subscription Agreement to WR. As such, WR undertakes to observe, perform, discharge and be bound by the H Shares Subscription Agreement and the Deed of Amendment as if WR were a party to the H Shares Subscription Agreement in place of TPG. The Company agrees to the novation of all rights and obligations of TPG to WR and to observe, perform, discharge and be bound by the H Shares Subscription Agreement and the Deed of Amendment.
- (2) WR shall subscribe for 25,000,000 H Subscription Shares and FS shall subscribe for 5,000,000 H Subscription Shares, and the Company shall allot and issue, the 30,000,000 H Subscription Shares, fully paid, which shall rank pari passu in all respects with the H Shares in issue at the date of allotment and issue and, in particular, will rank in full for all dividends and other distributions declared, made or paid at any time subsequent to the date of allotment and issue.
- (3) If at any time within 12 months of the H Shares Closing Date, the Company wishes to issue any H Shares to any person under the same conditions as stipulated in the H Shares Subscription Agreement by way of public offering, WR and FS shall have a pre-emptive right with respect to not more than 59,552,000 and 10,448,000 Shares, respectively, under the same conditions.
- (4) Each of the TPG, WR and FS undertakes to the Company and with each other that without the prior written consent of the Company, they will not, whether directly or indirectly, at any time during the period of 12 months following the H Shares Closing Date (the "Lock-up Period"), transfer all or any of the H shares subscribed under the H Shares Subscription Agreement (as amended by the Deed of Amendment).
- (5) The Long Stop Date under the H Shares Subscription Agreement as amended by the Deed of Amendment means 30 June 2010, or such later date as the Company and the H Shares Subscribers may agree. Subject to the approval of the relevant regulatory authority, the completion of the H Subscription Shares under the Deed of Amendment shall not be later than the aforesaid date.

DEED OF CANCELLATION

On 12 August 2009, the Company, TPG, FS, Legend and Hony Capital entered into the Investment Agreement. As the total number of H Subscription Shares to be issued to WR and FS is reduced, the Deed of Amendment covered certain key terms of the Investment Agreement in relation to the Board and its corporate governance (please refer to the relevant sections of the Announcement for details), and the other terms of the Investment Agreement are no longer applicable, the Company, TPG, FS, Legend and Hony Capital unanimously agreed to cancel the Investment Agreement and entered into the Deed of Cancellation.

Date:

7 May 2010

Parties:

- a) the Company
- b) TPG
- c) FS
- d) Legend
- e) Hony Capital

Transaction:

The parties agree to cancel the Investment Agreement and mutually release and discharge each other from all obligations, duties, responsibilities, claims and liabilities owed to any other party (if any) arising out of or in connection with the Investment Agreement and from the performance by the parties of any further obligations towards each other (if any) under the Investment Agreement.

The Company has completed the issue of a total of 30,926,116 Domestic Subscription Shares to Legend and Hony Capital pursuant to the Domestic Subscription Agreement (for details please refer to the announcement dated 17 September 2009). The Board hereby confirms that the Domestic Subscription Shares issued as aforesaid represent the full amount of domestic shares which would be issued by the Company under the Domestic Subscription Agreement and the remaining 19,073,884 Domestic Subscription Shares under the Domestic Subscription Agreement will not be issued.

By Order of the Board
Wumart Stores, Inc.
Dr. Wu Jian-zhong
Chairman

Beijing, PRC
7 May 2010

As at the date of this announcement, the Board comprises Dr. Wu Jian-zhong, Mr. Zhu Younong, Dr. Meng Jin-xian and Madam Xu Ying as executive Directors, Mr. Wang Jian-ping and Mr. John Huan Zhao as non-executive Directors, and Mr. Han Ying, Mr. Li Lu-an and Mr. Lu Jiang as independent non-executive Directors.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at <http://www.wumart.com>.