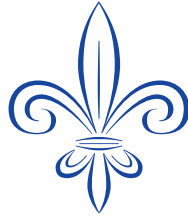


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PCD Stores (Group) Limited
中國春天百貨集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 331)

CLARIFICATION ANNOUNCEMENT

Reference is made to the article entitled “名牌時裝股 PORTS 「急性」爆煲” appeared in the Next Magazine dated 31 May 2012 (“Article”) concerning three transactions involving the Company and its controlling shareholders, Mr. Alfred Chan and Mr. Edward Tan (“Controlling Shareholders”). The three transactions mentioned in the Article are: (1) the disclosable and connected transactions in relation to the acquisition of the entire issued share capital of Even Time Investments Limited and the entire registered capital of Beijing Chun Tian Real Estate Co., Ltd. and termination of the Outlet Mall option as disclosed in the Company’s announcement dated 14 November 2011 (“First Transaction”), (2) the disclosable and connected transactions in relation to the Deed of Termination and Amendment relating to the Guangchang option and Goal Gain option and the acquisition of the entire issued share capital of Goal Gain Investments Limited as disclosed in the Company’s announcement dated 9 August 2010 (“Second Transaction”) and (3) the connected transaction in relation to the acquisition of a PRC-incorporated company as disclosed in the Company’s announcement dated 20 December 2011 (“Third Transaction”) (together, “Transactions”).

The First Transaction and the Second Transaction were respectively approved by the independent shareholders of the Company in accordance with the Listing Rules, and the Company had appointed independent financial advisors to advise on both transactions. All material information concerning the First Transaction and Second Transaction had been fully disclosed to all shareholders of the Company in accordance with the Listing Rules. The Company observed strong growth in revenue from the outlet mall in Beijing and the department stores in Guiyang, which are the subject of the First Transaction and the Second Transaction respectively.

As disclosed in the relevant announcement of the Company dated 20 December 2011, given the amount of cash consideration paid, being RMB41,366,346.63, was equal to the net assets value of the target company acquired (which mainly comprised of bank deposit), and given that the target company acquired can provide the Company and its subsidiaries (“Group”) with further organisational flexibility in connection with the provision of management consultancy services within its department store network, the Board was of the view that the terms of the Third Transaction were fair and reasonable and in the interests of the shareholders as a whole, as, as the amount of cash consideration paid, being RMB41,366,346.63, was equal to the net assets value of the target company acquired (which mainly comprised of bank deposit).

The Company hereby reiterates that it had fully complied with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) in respect of each of the Transactions quoted in the Article.

By Order of the Board
PCD Stores (Group) Limited
Alfred Chan
Chairman

Hong Kong, 1 June 2012

As at the date of this announcement, Edward Tan, Alfred Chan (Chairman) and Mr. Xiang Qiang are executive Directors; and Randolph Yu, Ainsley Tai and Li Chang Qing are independent non-executive Directors.