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物美
WUMART

北京物美商業集團股份有限公司
WUMART STORES, INC.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 01025)

CONTINUING CONNECTED TRANSACTION
PROPERTY LEASING AGREEMENT

This announcement is made by the Company pursuant to Chapter 14A of the Listing Rules.

PROPERTY LEASING AGREEMENT

The Company has entered into the Property Leasing Agreement (2015) with Wufeng Huayun in relation to the leasing of the property as office premise including floors 8, 9 and 10 at west tower of Huike Plaza owned by Wufeng Huayun. The lease term shall be for a period of three years from 1 April 2015 to 31 March 2018 and the annual cap for the continuing connected transaction for the three years ending 31 March 2018 is fixed under such agreement.

APPLICABLE PROVISIONS OF THE LISTING RULES

As Wufeng Huayun is a subsidiary of Wumei Holdings which is the controlling shareholder of the Company holding 38.78% equity interest in the Company, Wufeng Huayun is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the transaction contemplated under the Property Leasing Agreement (2015) constitutes a continuing connected transaction of the Company.

As one or more of the applicable percentage ratios for the annual rental under the Property Leasing Agreement (2015) exceed 0.1% but are less than 5%, the transaction contemplated thereunder constitutes a non-exempt continuing connected transaction of the Company, which is subject to the reporting, annual review and announcement requirements but is exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

A. PROPERTY LEASING AGREEMENT (2015)

I. Background

On 1 April 2012, the Company and Wufeng Huayun entered into the Property Leasing Agreement for a term of three years from 1 April 2012 to 31 March 2015. As the applicable percentage ratios for the annual rental under the Property Leasing Agreement were less than 0.1%, the continuing connected transaction thereunder was exempted from the reporting, annual review, announcement and independent shareholders' approval requirements.

As the Property Leasing Agreement has expired, the Company entered into the Property Leasing Agreement (2015) with Wufeng Huayun on 1 June 2015 upon mutual negotiation in relation to continuing to lease the property including floors 8, 9 and 10 at west tower of Huike Plaza owned by Wufeng Huayun, which will be used as day-to-day offices of the Company's operation and management centre in order to meet the needs of the Company's headquarters for office premise.

II. Principal Terms of the Property Leasing Agreement (2015)

1. Date: 1 June 2015
2. Parties: Beijing Wufeng Huayun Trading Co., Ltd. as lessor
Wumart Stores, Inc. as lessee
3. Location of property: No. 158-1, West 4th Ring North Road, Haidian District
4. Leased area: 6,453.33 square metres
5. Lease term: Three years from 1 April 2015 to 31 March 2018
6. Annual rental and basis of determination:

The daily rental is RMB5 per square metre, and the annual rental under the Property Leasing Agreement (2015) for each of the years ending 31 March 2018 is fixed at RMB11,777,327.28.

The above rental has been determined through arm's length negotiations between the parties by reference to factors such as market practices, current rental levels for similar properties in the neighbouring area and overall tenancy.

7. Rental payment: payable by the Company to Wufeng Huayun on a monthly basis before the 5th day of each month.

III. Reasons and Benefits for the Property Leasing Agreement (2015)

The Company is of the view that Huike Plaza is strategically and conveniently located at West 4th Ring North Road, Haidian District with the desired area and reasonable rental, which has been in sound conditions since leased by the Company. Entering into the Property Leasing Agreement (2015) with Wufeng Huayun will help the Company to maintain stability of its operations and secure more favourable leasing terms.

IV. Opinion of the Board

The Directors (including the independent non-executive Directors) are of the view that: The terms of the Property Leasing Agreement (2015) and the transaction contemplated thereunder are entered into after arm's length negotiations in the ordinary and usual course of business based on normal commercial terms. The terms of the agreement and the annual rental are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Other than Madam Xu Ying who, as a director of Wumei Holdings, has abstained from voting in respect of the relevant Board resolutions, none of the Directors are materially interested in the Property Leasing Agreement (2015) which would otherwise require them to abstain from voting.

B. APPLICABLE PROVISIONS OF THE LISTING RULES

As Wufeng Huayun is a subsidiary of Wumei Holdings which is the controlling shareholder of the Company holding 38.78% equity interest in the Company, Wufeng Huayun is a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the transaction contemplated under the Property Leasing Agreement (2015) constitutes a continuing connected transaction of the Company.

As one or more of the applicable percentage ratios for the annual rental under the Property Leasing Agreement (2015) exceed 0.1% but are less than 5%, the transaction contemplated thereunder constitutes a non-exempt continuing connected transaction of the Company, which is subject to the reporting, annual review and announcement requirements but is exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

C. GENERAL INFORMATION

The Group is principally engaged in operation of chain superstores in Beijing, Tianjin, Hebei province and Zhejiang province. Wumei Holdings Group is principally engaged in retail operation of chain stores in Shanghai, Tianjin and Yinchuan.

Wufeng Huayun is principally engaged in real estate operations in Beijing.

D. DEFINITIONS

“Associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of directors of the Company
“Company”	Wumart Stores, Inc., a joint stock company incorporated with limited liability under the laws of the PRC, the H Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	The Company and its subsidiaries
“H Shares”	overseas listed foreign shares with a nominal value of RMB1 each in the registered share capital of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wumei Holdings”	Wumei Holdings, Inc., a company incorporated in the PRC with limited liability on 6 October 1994, a promoter and the controlling shareholder of the Company
“Wumei Holdings Group”	Wumei Holdings and its subsidiaries
“Property Leasing Agreement (2015)”	the “Property Leasing Agreement (2015)” entered into between Wumart Stores, Inc. and Beijing Wufeng Huayun Trading Co., Ltd. on 1 June 2015, details of which are set out in Section A of this announcement

“Wufeng Huayun”	Beijing Wufeng Huayun Trading Co., Ltd., a subsidiary of Wumei Holdings
“Huike Plaza”	A commercial property owned by Wufeng Huayun at No. 158-1, West 4th Ring North Road, Haidian District
“%”	Percentage

By Order of the Board
Wumart Stores, Inc.
Dr. Meng Jin-xian
Chairman

Beijing, the PRC
1 June 2015

As at the date of this announcement, the Board comprises Madam Xu Ying, Mr. Xu Shao-chuan and Dr. Yu Jian-bo as executive Directors, Dr. Meng Jin-xian as non-executive Director and Mr. Li Lu-an, Mr. Lu Jiang and Mr. Wang Jun-yan as independent non-executive Directors.