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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: 8277)

**TERMINATION OF THE PLACING AGREEMENT**

The Board would like to announce that, in light of the continuing suspension of the trading of the H Shares on the Stock Exchange pending release of an announcement containing price sensitive information by the Company, the Company and Citigroup entered into the Termination Agreement on 15 November 2006, under which the Company and Citigroup mutually agreed to terminate the Placing Agreement with immediate effect.

The Board believes that it is in the best interest of the investors and the Company to terminate the Placing Agreement and does not expect such termination to have any material adverse effect on the business operation and financial position of the Group.

As the Placing will no longer proceed, the Company will withdraw its formal application for listing of the Placing Shares submitted to the Stock Exchange on 10 November 2006.

Trading in the H Shares has been suspended with effect from 9:45 a.m. on 13 November 2006 and will remain suspended, pending the release of an announcement of the Company regarding the price-sensitive information.

Reference is made to the announcement issued by Wumart Stores, Inc. (the “**Company**”) on 9 November 2006 (the “**Announcement**”). It was stated in the Announcement that the Placing Agreement was entered into between the Company and Citigroup on 9 November 2006, under which Citigroup was appointed to act as the placing agent of the Company to place, on a best effort basis, up to 101,313,000 new H Shares at a price of HK\$6.60 per Placing Share. Unless defined otherwise, terms in this announcement shall have the same meanings as those defined in the Announcement.

The Board would like to announce that, in light of the continuing suspension of the trading of the H Shares on the Stock Exchange pending release of an announcement containing price sensitive information by the Company, the Company and Citigroup entered into a termination agreement (the “**Termination Agreement**”) on 15 November 2006, under which the Company and Citigroup mutually agreed to terminate the Placing Agreement with immediate effect.

The Board believes that it is in the interest of the investors and the Company to terminate the Placing Agreement and does not expect such termination to have any material adverse effect on the business operation and financial position of the Group.

As the Placing will no longer proceed, the Company will withdraw its formal application for listing of the Placing Shares submitted to the Stock Exchange on 10 November 2006.

Trading in the H Shares has been suspended with effect from 9:45 a.m. on 13 November 2006 and will remain suspended, pending the release of an announcement of the Company regarding price-sensitive information.

By order of the Board  
**Wumart Stores, Inc.**  
**Dr. Wu Jian-zhong**  
*Executive Director*

15 November 2006  
Beijing, the PRC

*As at the date of this announcement, the Board comprises Dr. Zhang Wen-zhong, Dr. Wu Jian-zhong and Dr. Meng Jin-xian as executive Directors, Mr. Wang Jian-ping as non-executive Director, and Mr. Han Ying, Mr. Li Lu-an and Mr. Lu Jiang as independent non-executive Directors.*

*This announcement will be available on the Company’s website <http://www.wumart.com> and will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for a minimum of seven days from the date of its publication.*