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MAOYE INTERNATIONAL HOLDINGS LIMITED

茂業國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 848)

SUPPLEMENTAL ANNOUNCEMENT TO

**(1) THE ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31
DECEMBER 2024 AND THE ANNUAL REPORT FOR THE YEAR ENDED 31
DECEMBER 2024; AND**

**(2) THE INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS
ENDED 30 JUNE 2025**

Reference is made to (i) the annual results announcement ("**Annual Results Announcement**") of Maoye International Holdings Limited (the "**Company**" and, together with its subsidiaries, collectively the "**Group**") for the year ended 31 December 2024 published on 31 March 2025, (ii) the annual report of the Company ("**Annual Report**") for the year ended 31 December 2024 published on 14 April 2025, and (iii) the interim results announcement ("**Interim Results Announcement**") of the Company for the six months ended 30 June 2025 published on 27 August 2025 and 28 August 2025.

Unless otherwise defined, capitalised terms used herein shall have the same meaning as ascribed in the Annual Results Announcement, Annual Report, and Interim Results Announcement.

As disclosed in Note 2.4, Note 43 and Note 2.3 of the consolidated financial statements in the Annual Results Announcement, the Annual Report, and the Interim Results Announcement, respectively, the management of the Company identified material misstatements in the financial statements of an associate, Shenzhen Ugo E-commerce Co., Ltd. ("**UGO**"), which in turn led to misstatement for the Group's investment in UGO for each year ended 31 December 2022 and 2023 and six months ended 30 June 2024. In addition, the directors of the Company revisited their impairment assessments of its investment in UGO performed in the past taking into consideration of this additional information and concluded that additional impairment charge is required as at 31 December 2022 and 2023 and 30 June 2024. Accordingly, the consolidated financial statements of the Group have been restated retrospectively to reflect above effects (the "**Restatement**"). Also as disclosed in Note 15 and Note 45 of the consolidated financial statements in the Annual Results Announcement and the Annual Report, respectively, certain comparative amounts in the consolidated financial statements have been reclassified to conform with the current year's presentation (the "**Reclassification**").

The Company wishes to provide supplemental information in relation to the Restatement and Reclassification.

Background to the Restatement and Reclassification

In December 2024, Maoye Commercial Co., Ltd., a non-wholly owned subsidiary of then Company, had conducted an on-site physical review of UGO's financial statements and assets (the "**Review**"), and

discovered in this Review that UGO had overstated its bank deposits between 2021 and 2023. After considering the above findings of the Review, the board of directors of the Company (the "**Board**") had conducted a reassessment of the impairment in UGO, and considered that a restatement of the Group's financial statements for the years ended 31 December 2022 and 2023 was necessary. To this end, the Board had engaged an independent appraiser, to assist the Company to re-assess the recoverable amount for investment in UGO as at 31 December 2022, 2023 and 2024 (the "**Appraisal**"). The Restatement was prepared based on the results of the Appraisal.

The Reclassification was performed in order to provide better clarity to the Group's financial statements. For further information, please refer to the section headed "Notes to the Line-by-line reconciliation – Reasons for and details of the restatements on each line items – (b) Reclassification of comparative line items" below.

Line-by-line reconciliation for each of the restated items of the consolidated financial statements of the Group for the financial year ended 31 December 2022 and 2023 and the six months ended 30 June 2024

The tables below set forth a comparison of the before and after restatement of figures in the consolidated financial statements for the year ended 31 December 2022 and 2023 and the consolidated statements of profits or loss and the consolidated comprehensive income for the six months ended 30 June 2024:

Consolidated statement of profit or loss for the year ended 31 December 2023

	Year ended 31 December (Previously reported) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Reclassification of impairment loss for investment in associates (Note (b(i))) RMB'000	Reclassification of write-down of properties under development and completed properties held for sale (Note (b(ii))) RMB'000	Year ended 31 December (Restated) RMB'000
Cost of goods and properties sold	(1,760,695)	-	-	(9,112)	(1,769,807)
Other operating expenses	(1,041,769)	-	-	9,112	(1,032,657)
Other gains and losses	(84,876)	-	200,604	-	115,728
Operating profit	1,012,323	-	200,604	-	1,212,927
Share of loss and impairment of investment in associates	(8,789)	90,242	(200,604)	-	(119,151)
Profit before income tax	38,246	90,242	-	-	128,488
Income tax expense	(116,442)	(20,362)	-	-	(136,804)
Loss for the year	(78,196)	69,880	-	-	(8,316)
Attributable to:					
Owners of the Company	(96,112)	61,374	-	-	(34,738)
Non-controlling interests	17,916	8,506	-	-	26,422
Loss per share for profit attributable to owners of the Company					
- Basic and diluted	RMB(1.87) cents	RMB1.19 cents	-	-	RMB(0.68) cents

Consolidated statement of comprehensive income for the year ended 31 December 2023

Year ended 31 December (Previously reported) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Disaggregation of exchange differences on translation of financial statements (Note (b(iii))) RMB'000	Year ended 31 December (Restated) RMB'000
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Loss for the year	(78,196)	69,880	-	(8,316)
Other comprehensive loss				
Exchange differences on translation of foreign operations	(21,211)		21,211	-
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations			(40,781)	(40,781)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of the Company	-		19,570	19,570
Total comprehensive loss	(317,251)	69,880	-	(247,371)

Consolidated statement of financial position as of 31 December 2023

	As at 31 December (Previously reported) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Disaggregation of “Contract liabilities, deposits received, accruals and other payables” (Note (b(iv))) RMB'000	As at 31 December (Restated) RMB'000
ASSETS				
Investment in associates	153,440	(104,777)	-	48,663
Deferred tax assets	852,983	11,531	-	864,514
Total assets	49,043,358	(93,246)	-	48,950,112
LIABILITIES				
Contract liabilities, deposits received, accruals and other payables	8,635,553	-	(8,635,553)	-
Contract liabilities	-	-	1,622,306	1,622,306
Deposits received, accruals and other payables	-	-	5,340,219	5,340,219
Payables for properties development	-	-	1,673,028	1,673,028
Total liabilities	33,120,868	-	-	33,120,868
EQUITY				
Reserves	12,982,811	(81,895)	-	12,900,916
Non-controlling interests	2,479,526	(11,351)	-	2,468,175
Total equity	15,922,490	(93,246)	-	15,829,244

Consolidated statement of financial position as of 1 January 2023

	As at 31 December 2022 (Previously reported) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Disaggregation of “Contract liabilities, deposits received, accruals and other payables” (Note (b(iv))) RMB'000	As at 1 January 2023 (Restated) RMB'000
ASSETS				
Investment in associates	362,833	(195,019)	-	167,814
Deferred tax assets	708,081	31,893	-	739,974
Total assets	50,236,899	(163,126)	-	50,073,773
LIABILITIES				
Contract liabilities, deposits received, accruals and other payables	8,467,500	-	(8,467,500)	-
Contract liabilities	-	-	1,598,849	1,598,849
Deposits received, accruals and other payables	-	-	4,936,670	4,936,670
Payables for properties development	-	-	1,931,981	1,931,981
Total liabilities	33,898,808	-	-	33,898,808
EQUITY				
Reserves	13,364,051	(143,269)	-	13,220,782

Non-controlling interests	2,513,887	(19,857)	-	2,494,030
Total equity	16,338,091	(163,126)	-	16,174,965

Consolidated statement of profit or loss for the six months ended 30 June 2024

	Six months ended 30 June (Previously reported (Unaudited) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Six months ended 30 June (Restated) (Unaudited) RMB'000
Share of loss and impairment of investment in associates	(21,291)	(27,372)	(48,663)
Profit before income tax	260,345	(27,372)	232,973
Income tax expense	(144,786)	6,843	(137,943)
Profit for the period	115,559	(20,529)	95,030
Attributable to:			
Owners of the Company	100,935	(18,030)	82,905
Non-controlling interests	14,624	(2,499)	12,125
Earnings per share for profit attributable to owners of the Company			
- Basic and diluted	RMB1.96 cents	RMB(0.35) cents	RMB1.61 cents

Consolidated statement of comprehensive income for the six months ended 30 June 2024

	Six months ended 30 June (Previously reported) (Unaudited) RMB'000	Restatement of investment in UGO (Note (a)) RMB'000	Disaggregation of exchange differences on translation of foreign operations (Note (b(iii))) RMB'000	Six months ended 30 June (Restated) (Unaudited) RMB'000
Profit for the period	115,559	(20,529)	-	95,030
Other comprehensive loss				
Exchange differences on translation of foreign operations	1,693		(1,693)	-
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	-	-	37	37
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of the Company	-	-	1,656	1,656
Total comprehensive loss	(225,630)	(20,529)	-	(246,159)

Notes to the Line-by-line reconciliation – Reasons for and details of the restatements on each line items

(a) Restatement of investment in Shenzhen UGO E-Commerce Co., Ltd.

As disclosed in Note 43 to the consolidated financial statements in the Annual Report and Note 2.3 to the consolidated financial statements in the Interim Results Announcement, the Group identified material misstatements in the financial statements of UGO in previous year which in turn lead to the misstatements of the investments in UGO for the years ended 31 December 2022 and 2023 and the six months ended 30 June 2024:

- (i) The Group restated the investment in UGO as of 1 January 2023 and 31 December 2023 and the share of loss and impairment losses from UGO for the year ended 31 December 2023 and the six months ended 30 June 2024.
 - (ii) The Group then made corresponding restatement to income tax expenses for the year ended 31 December 2023 and the six months ended 30 June 2024, deferred income tax assets as of 1 January 2023 and 31 December 2023 to reflect the tax impact.
 - (iii) As part of the investment in UGO was held by a non-wholly owned subsidiary of the Group, the Group made adjustment to the profit attributable to non-controlling interests for the year ended 31 December 2023 and six months ended 30 June 2024 and the equity attributable to non-controlling interest as of 1 January 2023 and 31 December 2023.
- (b) Reclassification of comparative line items

As disclosed in Note 45 to the consolidated financial statements in the Annual Report, certain comparative amounts in the consolidated financial statements have been reclassified to conform with the current year's presentation. These reclassifications have no impact to the Group's total assets, total liabilities, net assets and net profit. In the opinion of the directors, the reclassifications have no significant impact to the consolidated financial statements of the Group and will provide more relevant information to understand the consolidated financial statements of the Group.

- (i) Reclassification of impairment loss for investment in associates

In previous years, the sharing of profit or loss of the investments was presented separately below "Operating profit", and the impairment loss for investment in associates was included in the line item of "Other gains and losses", together with other impairment losses, which was above "Operating profit".

In 2024, the Group furtherly considered that: (1) presenting the impairment loss for investment in associates below "Operating profit" would provide more useful and relevant information about "Operating profit", as such impairment loss is related to the Group's investing activities; (2) impairment loss was one way of realising the investment, just as the sharing of profit or loss of the investees, thus aggregation them in one line item can provide a more useful structure of the consolidated statements of profit or loss. Therefore, the Group changed the presentation and reclassified the impairment loss for investment in associates and the comparative has been restated.

- (ii) Reclassification of write-down of properties under development and completed properties held for sale

According to IAS 2 paragraph 38, "the amount of inventories recognised as an expense during the period, which is often referred to as cost of sales, consists of those costs previously included in the measurement of inventory that has now been sold and unallocated production overheads and abnormal amounts of production costs of inventories". Though not explicitly mentioned in IAS 2, the Group considered net realisable value ("NRV") provision was also part of the subsequent measurement of inventories, thus it is more appropriate to be aggregated into cost of sales to better reflect gross profit information. Therefore, NRV provision was reclassified from "Other operating expenses" to "Cost of goods and properties sold", with the comparative amounts been restated.

- (iii) Disaggregation of exchange differences on translation of financial statements

In previous year, the Group presented the translation difference as a separate line item in the section of "other comprehensive income/(loss)". Management reconsidered the presentation and disaggregated the translation differences into "Exchange differences on translation of the

Company” and “Exchange differences on translation of foreign operations” to provide more useful information about the future possibility of recycling to consolidated statement of profit or loss.

- (iv) Disaggregation the line item of “Contract liabilities, deposits received, accruals and other payables”

Paragraph 54 of IAS 1 provided a list of line items that shall be included in the statement of financial position and paragraph 55 of IAS 1 also stated that an entity shall present additional line items, including by disaggregating the line items listed in paragraph 54, when such presentation is relevant to an understanding of the entity's financial position.

In the year of 2024, the Group reassessed the presentation and considered that further disaggregation of the line item of “Contract liabilities, deposits received, accruals and other payables” will provide more relevant and useful information to understand the Group's financial position. The comparative amounts have also been reclassified to conform with the current year's presentation.

Internal controls and additional measures

The Board's current internal control policy on monitoring investments in associates involves: (i) obtaining monthly financial statements of the associate, (ii) conducting half-yearly analysis of the financial statements of the associates, and (iii) at the end of each financial year, if any, obtaining the audited financial statements of the associates.

As disclosed in note 21 of the financial statements of the Group set out in the Annual Report, the Company has fully written off the value of the investment in UGO, in its financial statements for the year ended 31 December 2024.

In light of the findings of the Review, the Company plans to implement additional internal controls on UGO, including monthly meetings or discussions with the management of UGO, obtaining monthly bank statements for review, and monthly desktop searches for any news articles or public information on UGO.

For any new equity investments of the Group hereinafter (i.e. not including the investment into UGO), the Board plans to implement the following additional internal control procedures (each an “**Additional Measure**”):

- (a) Conducting multidimensional due diligence covering financial, legal, and technical aspects, along with feasibility analysis, to assess whether the investment aligns with the company's strategy and industry trends. The precise extent to which this Additional Measure is implemented (for example, the precise scope for future due diligence) will depend on the size of the Company's investment, the percentage of voting rights the Group will hold in the investee company, the availability of any public information on the investee company, the familiarity of the Group with the nature of the investee's business, when deciding on the extent of the due diligence.
- (b) During investment negotiations, negotiating for additional contractual protections and additional information provisions (e.g.: obtaining alternative forms of reporting other than financial statements). The precise extent to which this Additional Measure is implemented (for example, the precise types of contractual protections or shareholder information provisions) will depend on the size of the Company's investment, the percentage of voting rights the Group will acquire in the investee company, the availability of any public information on the investee company, and the relative bargaining positions of the transaction parties.
- (c) Conducting periodic and frequent on-site visits to monitor operating performance, and providing regular reports of risk assessments of the investment to the audit committee and the board of the Company (where applicable). This Additional Measure will be led by the chief financial officer of the

Company from time to time. The precise extent to which this Additional Measure is implemented (for example, the precise number of on-site visits, or frequency of reporting) will depend on the size of the Company's investment, the percentage of voting rights the Group will acquire in the investee company, and the relative bargaining positions of the transaction parties. The Group will aim to negotiate for at least one on-site visit a year for future new equity investments.

By Order of the Board
Maoye International Holdings Limited
Mr. Huang Mao Ru
Chairman

Hong Kong, 10 October, 2025

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Huang Mao Ru, Ms. Lu Xiaojuan and Mr. Tang Haifeng; one non-executive director, namely Mr. Tony Huang; and three independent non-executive directors, namely, Mr. Rao Yong, Mr. Pao Ping Wing and Mr. Gao Yajun