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**Max Sight Photo**  
**名仕快相**

**Max Sight Group Holdings Limited**

**名仕快相集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8483)**

**CONTINUING CONNECTED TRANSACTIONS UNDER  
THE 2023 MASTER SUPPLY AGREEMENT**

**INTRODUCTION**

The Board is pleased to announce that on 4 August 2023, Me Group and the Company entered into the Master Supply Agreement for a term of three financial years ending 31 December 2025 that Me Group has agreed to supply to our Group photo booths, as well as their respective consumables and other related products and services.

**IMPLICATIONS UNDER THE GEM LISTING RULES**

Me Group is a Substantial Shareholder of the Company which control 13.75% of the voting rights in our Company, hence a connected person of our Company under Rule 20.07(1) of the GEM Listing Rules.

The applicable percentage ratios for the transactions contemplated under the Master Supply Agreement for each of the three financial years ending 31 December 2025 on an aggregate annual basis are exceeds 5% but is less than 25% and the total consideration is less than HK\$10,000,000, the transactions are subject to the reporting, announcement and annual review requirements but are exempt from the circular (including independent financial advice) and Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

**The Master Supply Agreement**

The Board is pleased to announce that on 4 August 2023, Me Group and the Company entered into the Master Supply Agreement for a term of three financial years ending 31 December 2025, to supply to the Group photo booths, as well as their respective consumables and other related products and services.

The principal terms of the Master Supply Agreement are set out below:

Date:	4 August 2023
Parties:	Me Group as the suppliers; and The Company as the purchaser.
Products:	photo booths, as well as their respective consumables and other related products and services.
Duration:	Term of three years with effect from 1 January 2023 to 31 December 2025 (both dates inclusive).
Subject matter:	From time to time during the continuance of the Master Supply Agreement, the Company may place orders with the Me Group for the purchase of the Products by way of purchase orders. After accepting the purchase order, all products ordered shall be packed for shipment and storage in accordance with the supplier's standard commercial practices.  The suppliers shall ensure that there will be stable supply of the consumables at stable purchase price during the term of the Master Supply Agreement.

### Historical Transaction Amounts

Due to the COVID-19 pandemic, the photography services business was sluggish during the past few years.

The table below sets out the historical aggregate annual transaction for the transactions with Me Group for the three years ending 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023:

	<b>Historical transactions amounts</b>			
	<b>For the year ended 31 December</b>			<b>For the six months ended</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>30 June 2023</b>
	<i>(HK\$,000)</i>	<i>(HK\$,000)</i>	<i>(HK\$,000)</i>	<i>(HK\$,000)</i>
Transaction amount of purchase of the spare parts from Me Group	8	5	—	—
Transaction amount of purchase of the consumables from Me Group	<u>478</u>	<u>—</u>	<u>803</u>	<u>727</u>
Maximum aggregate transaction amounts with Me Group	<u><u>486</u></u>	<u><u>5</u></u>	<u><u>803</u></u>	<u><u>727</u></u>

For each of the year ended 31 December 2020, 2021 and 2022, the transactions of the purchased suppliers from Me Group are minimis which are less than 5% of the applicable percentage ratios under Chapter 20 of the GEM Listing Rules and the total consideration is less than HK\$3,000,000. Such transactions are fully exempt under Chapter 20 of the GEM Listing Rules.

### The Annual Caps

The table below sets the Annual Caps for the transactions contemplated under the Master Supply Agreement for the three years ending 31 December 2023, 2024 and 2025:

	<b>Annual caps for the</b>		
	<b>year ending 31 December</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Transaction amount of purchase of the photo booths from Me Group (the “ <b>Photo Booths Caps</b> ”)	1,000	1,000	1,000
Transaction amount of purchase of the consumables and other related products and services from Me Group (the “ <b>Consumables Caps</b> ”)	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Maximum aggregate transaction amounts with Me Group	<u><u>4,000</u></u>	<u><u>4,000</u></u>	<u><u>4,000</u></u>

### Pricing policy and mechanisms

The price was determined on a case by case after arm’s length negotiations between Me Group and the Company from time to time, with reference to the then prevailing market price of the Products with similar quality, technology and specifications offered in the market and the then terms shall in any event be no less favourable to our Group than that offered to any third party purchasers by Me Group in the ordinary and usual course of business.

Where it is impracticable to refer to the market rates or prices offered by other independent third parties suppliers for comparable products or services, the Group shall take into consideration the requirements and specifications of the Products, the transaction amount and order quantity, the delivery timeframe, the market condition and the past performance of historical transactions between the Group and the Me Group in determining the rate for the amounts payable for the Products contemplated under the Master Supply Agreement.

## **Basis of Annual Caps**

The basis of the Photo Booths Caps for the years ending 31 December 2023, 2024 and 2025 was determined with reference to (i) sales volume of the photography services business; (ii) the expected maximum number of new photo booths to be procured from the Me Group; (iii) the ageing and status of the existing photo booths; and (iv) historical pricing of photo booths and parts.

The basis of the Consumables Caps for the years ending 31 December 2023, 2024 and 2025 was determined with reference to (i) the historical pricing of the photo booth consumables; (ii) the anticipated usage of the photo booth consumables; (iii) the recovery of the photography services business; and (iv) the expected growth rate in the forthcoming years.

**Shareholders and potential investors should note that the Annual Caps should not be construed as an assurance or forecast by the Company of the future revenues of the Group.**

## **Reasons for and benefits for the transactions**

The Group is satisfied with the Products provided by Me Group, in terms of product quality, technology advancement and delivery time, supported by the stable business relationships between the Me Group and the Group starting from 1993, and Me Group has provided the Group with a constant and timely supply of the Products in past years. Furthermore, taking into account of the Me Group's experience and reputation in the global photo booths manufacturing industry, coupled with that Me Group is the Substantial Shareholder having established a long-term business relationship with the Group, we believe there is a better and more efficient communication with Me Group of our needs as compared to third parties and will provide us with business and operational convenience. In light of the above, the Directors are of the view that it will be in the interests of our Company and our Shareholders as a whole to continue such transactions with Me Group contemplated under the Master Supply Agreement which can provide the Group with continuous steady supply of the quality Products at reasonable prices and enhance operational efficiency. As such, the transactions under the Master Supply Agreement are on normal commercial terms or better, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **Internal Control Procedures**

The above transaction will be submitted to the auditors and independent non-executive Directors for their annual review pursuant to the requirements of Chapter 20 of the GEM Listing Rules so as to ensure its fairness and reasonableness. To ensure the effectiveness of the control procedures that the transactions are in fact conducted on normal commercial terms and the transaction amounts do not exceed annual caps, the Group adopts the following internal control measures in connection with the Master Supply Agreement:

- (i) the procurement department of the Company will gather and collect the market rate from transactions between the Group and the independent third parties and/or obtaining quotations from independent third parties from time to time;

- (ii) the management of the Company will on a regular basis examine the relevant pricing terms and monitor industry and/or market condition on the provision of similar and comparable products in relation to the Master Supply Agreement;
- (iii) the finance department of the Company will on a monthly basis check whether the transactions amounts recorded in the accounting system of the Company are consistent with the pricing mechanism;
- (iv) the audit committee of the Company will conduct an annual review of the pricing terms and transaction amounts in respect of the transactions under the Master Supply Agreement;
- (v) the independent non-executive Directors will conduct an annual review of the implementation of the continuing connected transactions to confirm that such transactions have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and
- (vi) the Company's external auditors will conduct an annual review on the continuing connected transactions.

### **Information of the Group**

The Company is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the GEM of the Stock Exchange. The Company is an investment holding company. The Group are principally engaged in (i) provision of photography services through automatic identity documentation photo booths at different locations in Hong Kong and Guangdong Province, Mainland China; and (ii) provision of medical services by operating medical centres in Hong Kong.

### **Information of Me Group**

Me Group, a company incorporated in the United Kingdom with limited liability and listed on the London Stock Exchange (Stock Code: MEGP). Me Group is also a Substantial Shareholder and supplier of the Group which control 13.75% of the voting rights in the Company, hence a connected person of our Company under Rule 20.07(1) of the GEM Listing Rules.

### **Implications under the GEM Listing Rules**

Me Group is a Substantial Shareholder of the Company which control 13.75% of the voting rights in our Company, hence a connected person of our Company under Rule 20.07(1) of the GEM Listing Rules. The transactions under the Master Supply Agreement contemplated thereunder constitutes continuing connected transactions on the part of the Company under Chapter 20 of the GEM Listing Rules.

The applicable percentage ratios for the transactions contemplated under the Master Supply Agreement for each of the three financial years ending 31 December 2025 on an aggregate annual basis are exceeds 5% but is less than 25% and the total consideration is less than HK\$10,000,000, the transactions are subject to the reporting, announcement and annual review requirements but are exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Annual Caps”	the maximum aggregated annual value of the continuing connected transactions of the Company to be transacted under each of the Master Supply Agreements for each of the three years ending 31 December 2025
“Board”	the board of Directors
“Company”	Max Sight Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“connected person”	has the same meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified by the Stock Exchange from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the Mainland China
“Mainland China “	The People’s Republic of China
“Me Group”	Me Group International Plc. (formerly known as Photo-Me International Plc.) a company listed on the London Stock Exchange (Stock Code: MEGP) and incorporated in the United Kingdom with limited liability

“Master Supply Agreement”	the master supply agreement dated 4 August 2023 and entered into between Me Group as the supplier and the Group as the customer for a term of three financial years ending 31 December 2025, to supply to the Group photo booths, as well as their respective consumables and other related products and services
“Products”	photo booths, their respective consumables and other related products and services supplied and provided by Me Group to the Group
“Substantial Shareholder”	has the same meaning ascribed thereto under the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board  
**Max Sight Group Holdings Limited**  
**Chan Wing Chai, Jamson**  
*Chairman and Executive Director*

Hong Kong, 4 August 2023

*As at the date of this announcement, the executive directors are Mr. Chan Wing Chai, Jamson, Mr. Chan Tien Kay, Timmy and Dr. Chan Wing Lok, Brian; the non-executive director is Mr. Riccardo Costi; and the independent non-executive directors are Mr. Ngai James, Mr. Hui Chi Kwan and Mr. Kwok Tsun Wa.*

*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 GEM of the Stock Exchange 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of The Stock Exchange of Hong Kong Limited website at [www.hkexnews.hk](http://www.hkexnews.hk) for a minimum period of 7 days from the date of publication and on the website of the Company at [www.maxsightgroup.com](http://www.maxsightgroup.com).*