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**佳華百貨控股有限公司**  
**Jiahua Stores Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*  
**(stock code: 00602)**

**(I) DISCLOSEABLE AND CONNECTED TRANSACTION  
IN RELATION TO THE LONG-TERM LEASE AGREEMENT;  
AND  
(II) CONTINUING CONNECTED TRANSACTION  
IN RELATION TO CAR PARK USAGE**

**LONG-TERM LEASE AGREEMENT**

On 15 November 2021 (after trading hours), the Tenant entered into the Long-Term Lease Agreement with the Landlord with a term commencing from 16 November 2021 to 15 October 2031 (both days inclusive) to renew the Existing Lease Agreement which will be expired by 15 November 2021 for the operation of the Group's retail store.

Pursuant to HKFRS 16, the entering into the Long-Term Lease Agreement as a lessee will require the Group to recognise the right to use the Premises as the right-of-use assets of an estimated aggregate value of approximately RMB24.3 million. Thus, the entering into the Long-Term Lease Agreement and the transactions contemplated thereunder will be regarded as acquisition of asset by the Group. As all applicable percentages taking into account the right to use the Premises as acquisition of a right-of-use asset is below 25%, the Long-Term Lease Agreement and the transactions contemplated thereunder constitute a disclosable transaction for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, Mr. Zhuang, the controlling Shareholder, executive Director and Chairman of the Company is interested in 535,485,000 Shares representing approximately 51.61% of the total issued Shares and is a connected person of the Company. As the Landlord is a company beneficially owned by Mr. Zhuang and Mrs. Zhuang, his spouse, the Landlord is therefore also a connected person of the Company under the Listing Rules. Accordingly, the entering into the Long-Term Lease Agreement constitutes a connected transaction of the Company. As the total lease payment in respect of the Long-Term Lease Agreement is more than HK\$10 million, the entering into the Long-Term Lease Agreement is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee has been formed to advise the Independent Shareholders in connection with the terms of the Long-Term Lease Agreement, and Red Sun has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the same matters.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Long-Term Lease Agreement and the transactions contemplated thereunder. In view of the interest of Mr. Zhuang and Mrs. Zhuang in the Landlord, Mr. Zhuang, Mrs. Zhuang and their respective associates (including Mr. Zhuang Xiao Xiong, son of Mr. Zhuang and Mrs. Zhuang, Ms. Chen Li Jun, daughter-in-law of Mr. Zhuang and Mrs. Zhuang, and Ms. Zhuang Xiao Yun, daughter of Mr. Zhuang and Mrs. Zhuang) will abstain from voting in relation to the resolution(s) to approve the Long-Term Lease Agreement at the EGM.

#### **CAR PARK FEE AGREEMENTS**

On the same day, the Property Manager entered into the Car Park Fee Agreements in respect of the usage of car parking spaces located in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II for a term of 3 years commencing from 1 January 2022 to 31 December 2024 (both days inclusive) with both Baijiahua Commercial Management and the Tenant. Payment of fee under the Car Park Fee Agreements by Baijiahua Commercial Management and the Tenant will be subject to actual usage, as agreed among the parties, the maximum monthly fee payable by Baijiahua Commercial Management and the Tenant to the Property Manager will in aggregate not exceed RMB180,000.00 for the two car park locations.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, the Property Manager is owned as to 95% and 5% by the Landlord and Jiahua Group respectively. Accordingly, the Property Manager is a connected person of the Company and therefore, entering into the Car Park Fee Agreements with the Property Manager and the transactions contemplated thereunder constitute continuing connected transactions for the Company under the Listing Rules.

As in aggregate, the highest amount of the Annual Caps for the usage of the relevant parking areas to be contemplated under the Car Park Fee Agreements in aggregate are less than 5% of the applicable percentage ratio under the Listing Rules, the transactions contemplated under the Car Park Fee Agreements (including the Annual Caps) are only subject to the reporting and announcement requirements and are exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

#### **GENERAL**

A circular containing, amongst other things, further information on the terms of the Long-Term Lease Agreement, a letter from the Independent Board Committee, an opinion of the Independent Financial Adviser, together with a notice to convene an extraordinary general meeting to approve the Long-Term Lease Agreement, is expected to be issued to the Shareholders as soon as possible and in any event, no later than 30 November 2021, as additional time is required by the Company for the preparation of certain relevant information for inclusion in the circular.

#### **INTRODUCTION**

On 15 November 2021 (after trading hours), the Tenant entered into the Long-Term Lease Agreement with the Landlord with a term commencing from 16 November 2021 to 15 October 2031 (both days inclusive) to renew the Existing Lease Agreement which expired on 15 November 2021 for the operation of the Group's retail store. On the same day, the Property Manager entered into the Car Park Fee Agreements in respect of the usage of car parking space located in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II for a term of 3 years commencing from 1 January 2022 to 31 December 2024 (both days inclusive) with both Baijiahua Commercial Management and the Tenant. Payment of fee under the Car Park Fee Agreements by Baijiahua Commercial Management and the Tenant will be subject to actual usage, as agreed among the parties, the maximum monthly fee payable by Baijiahua Commercial Management and the Tenant to the Property Manager will not exceed in aggregate RMB180,000.00 for the two car park locations.

The details and principal terms of the Long-Term Lease Agreement and the Car Park Fee Agreements entered into are summarized as follows.

## **THE LONG-TERM LEASE AGREEMENT**

Parties:	The Landlord as the landlord of the Premises
	The Tenant as the tenant of the Premises
Premises:	Level 1 of Commercial Podium, Jiahua Hao Yuan, Western Shiyan Avenue, Shiyan Street, Baoan District, Shenzhen, Guangdong Province, the PRC (深圳市寶安區石岩鎮石岩大道西側佳華豪苑大廈(工業區)1棟商場01層) with a total of area of 5,851.50 sq.m.
Term:	9 years and 11 months commencing from 16 November 2021 to 15 October 2031 (both days inclusive)
Rent:	An initial monthly rent of RMB296,861.50 per month (approximately RMB50.73 per sq.m. per month), with a 5% increment on the monthly rent for every 3 years
	Monthly rent is payable before the 10th of each month
Deposit:	A rental deposit of RMB593,723 payable by the Tenant to the Landlord 5 days after the execution of the Long-Term Lease Agreement
Usage:	For commercial purposes
Sub-let:	The Landlord allows the Tenant to sub-lease part of the Premises to other parties provided that the term is within the lease term of the Long-Term Lease Agreement
Termination:	The Long-Term Lease Agreement may be terminated among other things, the mutual agreement between the Tenant and the Landlord

Should the Long-Term Lease Agreement be terminated by the Tenant as a result of the compliance of the Listing Rules, the Tenant would not be responsible for any damages or payable to the Landlord

Condition precedent:                   Effective of the Long-Term Lease Agreement is conditional upon the Company having fulfilled its obligations under the Listing Rules, including but not limited to obtaining approval from the Independent Shareholders

Saved as the conditions precedent above, the Long-Term Lease Agreement is not subject to any other conditions precedent. As at the date of this announcement, none of the conditions precedent of the Long-Term Lease Agreement has been fulfilled.

When determining the basis of the 5% increment on the monthly rent for every 3 years, the Company have taken into consideration the terms of the lease agreements entered into by the Group with independent third parties in relation to the leasing out of the Group's investment properties and noted that increment clauses were also incorporated to such lease agreements.

The terms of the Long-Term Lease Agreement (including the rent) were determined after arm's length negotiations between the parties, with reference to standard terms of the lease agreements adopted for lease of similar properties and taking into account the initial market rental of the Premises (which was endorsed by a fair rent letter dated 15 November 2021 prepared by Valor Appraisal & Advisory Limited, an independent professional property valuer that such monthly rent as of the date of the valuation certificate is reasonable in the market and on normal commercial terms).

## FINANCIAL INFORMATION OF THE PREMISES

Pursuant to HKFRS16, the right to use the Premises leased under the Long-Term Lease Agreement will be recognised as a right-of-use asset. Upon commencement of the lease, the value of the right-of-use asset would be calculated with reference to the aggregated present value of the fixed lease payments as discounted by a discount rate which is the theoretical incremental borrowing rate of the Company of 9.31% as at the date of this announcement. Along with the recognition of the estimated value of the right-of-use asset of approximately RMB24.3 million, an estimated lease liability amounted to approximately RMB24.3 million will be recognized by the Group. The right-of-use asset and lease liability will be recognized at the discount rate prevailing at the point of recognition.

Set out below is the unaudited profit and loss statements of identifiable net income stream attributable to the Premises for the two years ended 31 December 2020:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2019</b>	<b>2020</b>
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	105,946	81,401
Profit before income tax expenses	22,111	23,409
Profit after income tax expenses	16,583	17,557

## THE CAR PARKING FEE AGREEMENTS

Parties: The Property Manager as property manager of the car parks in the two shopping malls

The Tenant and Baijiahua Commercial Management as parties utilizing the car parking spaces located in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II

Car park locations: Jiahua Lingyu Plaza Phase II is located at Guanlan Dadao, Guanlan Jiedao, Longhua District, Shenzhen City, Guangdong province, the PRC

Jiahua Linghui Plaza Phase II is located at South-west side of junction of Ji Hua Road and Wu He West Street, Ban Tian Street, Longgang District, Shenzhen, Guangdong Province, the PRC

Term: 3 years from 1 January 2022 to 31 December 2024 (both days inclusive)

Fee:	Small vehicle	Large vehicle*	Motor cycle
	RMB	RMB	RMB
First hour	10	30	–
Each hour thereafter	3	10	–
Daily maximum	25	50	2
Monthly fee	250 per month	500 per month	50 per month

\* 7 seated or above, bus and trucks

Maximum payment of each car park payable by Baijiahua Commercial Management and the Tenant will be RMB150,000 and RMB30,000 per month respectively

Payment: Payment shall be made on or before 15th of the following month

Usage: Vehicle parking for the operation needs of the Tenant and Baijiahua Commercial Management

Termination: Should the Car Parking Fee Agreements be terminated by the Tenant and Baijiahua Commercial Management as a result of the compliance of the Listing Rules, the Tenant and Baijiahua Commercial Management would not be responsible for any damages or payable to the Landlord

Condition precedent: Effectiveness of the Car Parking Fee Agreements is conditional upon the Company having fulfilled its obligations under the Listing Rules, including but not limited to publication of relevant announcement

Saved as the conditions precedent above, the Car Parking Fee Agreements are not subject to any other conditions precedent. As at the date of this announcement, all of the condition precedent of the Car Parking Fee Agreements has been fulfilled.

The terms of the Car Parking Fee Agreements (including the Annual Caps) were determined after arm's length negotiations between the parties, with reference to the initial market fee of the car parking spaces.

## THE ANNUAL CAPS

The Annual Caps for the years ending 31 December 2022, 2023 and 2024 will be as follows:

	<b>For the year ending 31 December</b>		
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Car Parking Fee Agreement I	2,160	2,160	2,160
Car Parking Fee Agreement II	<u>2,160</u>	<u>2,160</u>	<u>2,160</u>
Total	<u>4,320</u>	<u>4,320</u>	<u>4,320</u>

Payment of fee under the Car Park Fee Agreements will be subject to actual usage, the Annual Caps are determined by the Company based on the maximum monthly fee payable under the Car Parking Fee Agreements.

## REASONS FOR AND BENEFITS OF ENTERING INTO THE LONG-TERM LEASE AGREEMENT AND THE CAR PARK FEE AGREEMENTS

The Group is principally engaged in property investment and operation and management of retail stores in the PRC. The Group commenced tapping into the operation of shopping mall in 2017 by opening its first shopping mall in Shenzhen. As at the Latest Practicable Date, there were 8 retail stores and 2 shopping malls under the Group's operation.

The Group had been leasing the Premises for more than 15 years from the Landlord for the operation of the Group's Shiyan retail store. Given the Existing Lease Agreement entered into with the Landlord in relation the Premises expired on 15 November 2021, the Group intended to continue to lease the Premises for the continuous operation of the Shiyan retail store in Shenzhen.



Furthermore, to provide the better shopping experience to customers of the Group's shopping mall and super-market, the Group will enter into the Car Park Fee Agreements with the Property Manger to make available car parking spaces to provide complementary parking to customers of the Group's shopping mall and super-market who reaches certain spending target. Larger size car parking spaces will also be available for tenants of the Group's shopping mall to meet their logistic and delivery requirements. The car park space will also increase the customer traffic flow to the shopping malls.

In view of such, the Directors (excluding the independent non-executive Directors) are of the view that the transactions contemplated under the Long-Term Lease Agreement are conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and that (iii) the terms contemplated under the Long-Term Lease Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Furthermore, the Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Car Park Fee Agreements are conducted (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and that (iii) the terms contemplated under the Car Park Fee Agreements (including the Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PREMISES, CAR PARKING SPACE, THE TENANT, THE LANDLORD, THE PROPERTY MANAGER, AND BAIJIAHUA COMMERCIAL MANAGEMENT**

### **The Premises**

The Premises is located in Level 1 of Commercial Podium, Jiahua Hao Yuan, Western Shiyan Avenue, Shiyan Street, Baoan District, Shenzhen, Guangdong Province, the PRC and is occupied by the Group to operate the Shiyan store, a branch of BJH Department Store since 2007. The Premises was developed by Landlord in 2004 at a total cost of approximately RMB14.8 million. The Premises will be recognized as a right-of-use asset with estimated value of approximately RMB24.3 million as assessed by an independent professional valuer on 15 November 2021.

## **Car Parking Spaces**

Car parking spaces are located in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II. Car parking space in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II comprised of 307 car park spaces and 298 car parking spaces respectively available for the Group's utilization.

## **The Tenant and Baijiahua Commercial Management**

The Tenant and Baijiahua Commercial Management are wholly-owned subsidiaries of the Company and are principally engaged in operation and management of retail stores, and shopping malls in the PRC respectively.

## **The Landlord**

The Landlord is principally engaged in property development and property management in the PRC. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Landlord is held as to 18% by Mrs. Zhuang and 82% by Jiahua Group which is held as to 90% by Mr. Zhuang and 10% by Mrs. Zhuang as at the date of this announcement.

## **The Property Manager**

Shenzhen Jiahua Property Management Limited is a real estate property management company. The main business scope includes property management, self-owned property leasing, real estate brokerage, real estate information consultation and landscaping design, etc. The Property Manager is held as to 95% and 5% by the Landlord and Jiahua Group respectively.

## **LISTING RULES IMPLICATIONS**

Pursuant to HKFRS 16, the entering into the Long-Term Lease Agreement as a lessee will require the Group to recognise the right to use the Premises as a right-of-use asset of an estimated aggregate value of approximately RMB24.3 million. Thus, the entering into the Long-Term Lease Agreement and the transactions contemplated thereunder will be regarded as acquisition of asset by the Group. As all applicable percentages taking into account the right to use the Premises as acquisition of the right-of-use assets is below 25%, the Long-Term Lease Agreement and the transactions contemplated thereunder constitute a disclosable transaction for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, Mr. Zhuang, the controlling Shareholder, executive Director and Chairman of the Company is interested in 535,485,000 Shares representing approximately 51.61% of the total issued Shares and is a connected person of the Company. As the Landlord is a company beneficially owned by Mr. Zhuang and Mrs. Zhuang, his spouse, the Landlord is therefore also a connected person of the Company under the Listing Rules. Accordingly, the entering into the Long-Term Lease Agreement constitutes a connected transaction of the Company. As the total lease payment in respect of the Long-Term Lease Agreement is more than HK\$10 million, the entering into the Long-Term Lease Agreement is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Furthermore, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, the Property Manager is owned as to 95% and 5% by the Landlord and Jiahua Group respectively. Accordingly, the Property Manager is a connected person of the Company and therefore, entering into the Car Park Fee Agreements with the Property Manager and the transactions contemplated thereunder constitute continuing connected transactions for the Company under the Listing Rules.

As in aggregate, the highest amount of the Annual Caps for the usage of the relevant parking areas to be contemplated under the Car Park Fee Agreements in aggregate are less than 5% of an applicable percentage ratio under the Listing Rules, the transactions contemplated under the Car Park Fee Agreements (including the Annual Caps) are only subject to the reporting and announcement requirements and are exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Zhuang and Mr. Zhuang Xiao Xiong are connected persons and have material interest in the transaction stipulated in the Long-Term Lease Agreement and the Car Parking Fee Agreements, they have abstained from voting on the board resolutions.

An Independent Board Committee has been formed to advise the Independent Shareholders in connection with the terms of the Long-Term Lease Agreement, and Red Sun has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the same matters.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Long-Term Lease Agreement and the transactions contemplated thereunder. In view of the interest of Mr. Zhuang and Mrs. Zhuang in the Landlord, Mr. Zhuang, Mrs. Zhuang and their respective associates (including Mr. Zhuang Xiao Xiong, son of Mr. Zhuang and Mrs. Zhuang, Ms. Chen Li Jun, daughter-in-law of Mr. Zhuang and Mrs. Zhuang, and Ms. Zhuang Xiao Yun, daughter of Mr. Zhuang and Mrs. Zhuang) will abstain from voting in relation to the resolution(s) to approve the Long-Term Lease Agreement at the EGM.

## **GENERAL**

A circular containing, amongst other things, further information on the terms of the Long-Term Lease Agreement, a letter from the Independent Board Committee, an opinion of the Independent Financial Adviser, together with a notice to convene an extraordinary general meeting to approve the Long-Term Lease Agreement, is expected to be issued to the Shareholders as soon as possible and in any event, no later than 30 November 2021, as additional time is required by the Company for the preparation of certain relevant information for inclusion in the circular.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Annual Cap”	the proposed maximum aggregate annual monetary sums of the transactions during the term of the Car Parking Fee Agreements
“associate(s)”	has the meaning ascribed thereto under the Listing Rules

“Baijiahua Commercial Management”	Shenzhen Baijiahua Commercial Management Limited (深圳市百佳華商業管理有限公司), a company incorporated in the PRC, a wholly-owned subsidiary of the Company
“BJH Department Store”	department stores operated by the Company in the PRC
“Board”	the board of Directors
“Car Parking Fee Agreement I”	the car park fee agreement to be entered into among the Property Manager, Baijiahua Commercial Management and the Tenant in respect of the usage of car parking space located in Jiahua Linghui Plaza Phase II
“Car Parking Fee Agreement II”	the car park fee agreement to be entered into among the Property Manager, Baijiahua Commercial Management and the Tenant in respect of the usage of car parking space located in Jiahua Lingyu Plaza Phase II
“Car Parking Fee Agreements”	Car Parking Fee Agreement I and Car Parking Fee Agreement II
“Car Parking Space”	car parking space located in Jiahua Lingyu Plaza Phase II and Jiahua Linghui Plaza Phase II
“Company”	Jiahua Stores Holdings Limited (佳華百貨控股有限公司) (stock code: 00602), an exempted company incorporated in Cayman Islands on 4 September 2006 and the issued shares of which are listed on the main board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and to approve the Long-Term Lease Agreement and the transactions contemplated thereunder
“Existing Lease Agreement”	the existing lease agreement dated 6 November 2006 entered into between the Landlord and the Tenant in respect of the leasing of Premises

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS 16”	the Hong Kong Financial Reporting Standard 16 – Leases issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Board comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders in relation to the Long-Term Lease Agreement and the transaction contemplated thereunder
“Independent Financial Adviser” or “Red Sun”	Red Sun Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the independent financial adviser that has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Long-Term Lease Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than Mr. Zhuang and his associates
“Jiahua Group”	Shenzhen Baijiahua Group Company Limited (深圳市百佳華集團有限公司), a company incorporated in the PRC with limited liability, which is held as to 90% by Mr. Zhuang and 10% by Mrs. Zhuang as at the Latest Practicable Date

“Landlord”	Shenzhen Jiahua Real Estate Development Company Limited (深圳市佳華房地產開發有限公司), a company incorporated in the PRC, which is held as to 18% by Mrs. Zhuang and 82% by Jiahua Group as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long-Term Lease Agreement”	the long-term lease agreement to be entered into between the Landlord and the Tenant in respect of the leasing of Premises
“Mr. Zhuang”	Mr. Zhuang Lu Kun, an executive Director
“Mrs. Zhuang”	Mrs. Zhuang Su Lan, spouse of Mr. Zhuang
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Premises”	深圳市寶安區石岩鎮石岩大道西側佳華豪苑大廈(工業區) 1棟商場01層 (Level 1 of Commercial Podium, Jiahua Hao Yuan, Western Shiyao Avenue, Shiyao Street, Baoan District, Shenzhen, Guangdong Province, the PRC)
“Property Manager”	Shenzhen Jiahua Property Management Limited (深圳市佳華物業管理有限責任公司), a company incorporated in the PRC, and is held as to 95% and 5% by the Landlord and Jiahua Group respectively
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	Shares of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tenant” Shenzhen Baijiahua Department Stores Company Limited (深圳市百佳華百貨有限公司), a company incorporated in the PRC, a wholly-owned subsidiary of the Company

“%” per cent.

By Order of the Board  
**Jiahua Store Holdings Limited**  
**Zhuang Lu Kun**  
*Chairman*

Shenzhen, the PRC, 15 November 2021

*As at the date of this announcement, (a) the executive Directors are Mr. Zhuang Lu Kun, Mr. Zhuang Pei Zhong and Mr. Zhuang Xiao Xiong; (b) the independent non-executive Directors are Mr. Chin Kam Cheung, Mr. Sun Ju Yi and Mr. Ai Ji.*