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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)

**DISCLOSEABLE TRANSACTION
FURTHER DISPOSAL OF SHARES IN CQP**

Reference is made to the announcement (the "**Announcement**") of Maoye International Holdings Limited (the "**Company**") dated 1 September 2021 in relation to the disposal of 17,429,638 shares of CQP by Maoye Commercial on the open market from 23 August 2021 to 31 August 2021 for an aggregate consideration of approximately RMB85.44 million (the "**Previous Disposal**"). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

THE FURTHER DISPOSAL

The Board is pleased to announce that, subsequent to the Previous Disposal as announced in the Announcement, Maoye Commercial, a non-wholly-owned subsidiary indirectly held by the Company with an 82.80% equity interest, further disposed of 17,416,800 shares of CQP on the open market from 6 December 2021 to 17 December 2021 (the "**Further Disposal**"), representing approximately 1.00% of the issued share capital of CQP (equivalent to the Company indirectly disposing of an 0.83% equity interest in CQP) as at the date of this announcement, for an aggregate consideration of approximately RMB82.97 million (exclusive of transaction costs), and the average selling price of each CQP Share in relation to the Further Disposal was approximately RMB4.76. After the completion of the Previous Disposal, the equity interest in CQP indirectly held by the Company was reduced from approximately 3.48% to approximately 2.65%, and after the completion of the Further Disposal, the equity interest in CQP indirectly held by the Company was reduced from approximately 2.65% to approximately 1.82%.

LISTING RULES IMPLICATIONS

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. The Previous Disposal and Further Disposal constitute a series of related transactions and are required to be aggregated pursuant to Rule 14.22 of the Listing Rules.

In respect of the Further Disposal, as one of the applicable percentage ratios on a standalone basis exceeds 5% but all of the applicable percentage ratios are less than 25%, the Further Disposal on a standalone basis constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. In respect of the Previous Disposal and the Further Disposal, as one of the applicable percentage ratios on an aggregate basis exceeds 5% but all of the applicable percentage ratios are less than 25%, the Previous Disposal and the Further Disposal on an aggregate basis also constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE PREVIOUS DISPOSAL

Reference is made to the announcement (the "**Announcement**") of Maoye International Holdings Limited (the "**Company**") dated 1 September 2021 in relation to the disposal of 17,429,638 shares of CQP by Maoye Commercial on the open market from 23 August 2021 to 31 August 2021 for an aggregate consideration of approximately RMB85.44 million (the "**Previous Disposal**"). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

THE FURTHER DISPOSAL

The Board is pleased to announce that, subsequent to the Previous Disposal as announced in the Announcement, Maoye Commercial, a non-wholly-owned subsidiary indirectly held by the Company with an 82.80% equity interest, further disposed of 17,416,800 shares of CQP on the open market from 6 December 2021 to 17 December 2021 (the "**Further Disposal**"), representing approximately 1.00% of the issued share capital of CQP (equivalent to the Company indirectly disposing of an 0.83% equity interest in CQP) as at the date of this announcement, for an aggregate consideration of approximately RMB82.97 million (exclusive of transaction costs), and the average selling price of each CQP Share in relation to the Further Disposal was approximately RMB4.76. After the completion of the Previous Disposal, the equity interest in CQP indirectly held by the Company was reduced

from approximately 3.48% to approximately 2.65%, and after the completion of the Further Disposal, the equity interest in CQP indirectly held by the Company was reduced from approximately 2.65% to approximately 1.82%.

As the Further Disposal was made through the open market, the Company is not aware of the identities of the buyers of the CQP Shares. To the best knowledge, information and belief of the Directors, the buyers of the CQP Shares and their ultimate beneficial owners (as applicable) are third parties independent of the Company and its connected persons.

INFORMATION ON THE PARTIES

The Company

The Company is principally engaged in the operation and management of department stores and property development in the PRC, and is a leading department store chain operator in the affluent regions throughout the PRC. The Company is focused on developing more department stores, mainly in the second and third-tier cities and in the most economically developed regions, and regions with high economic growth, in the PRC.

Maoye Commercial

Maoye Commercial, which is an indirect non-wholly-owned subsidiary of the Company and a joint stock limited company established in the PRC, whose shares are listed on the Shanghai Stock Exchange (stock code: 600828). Maoye Commercial is principally engaged in the operation of department stores.

CQP

CQP is a joint stock limited company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000950) . CQP is mainly engaged in the pharmaceutical distribution business.

Based on the audited accounts of CQP prepared based on PRC GAAP, the audited net profit (before taxation) and the audited net profit (after taxation) of CQP for each of the financial years ended 31 December 2019 and 2020 are as follows:

For the financial year ended 31

December

| | 2020 | 2019 |
|----------------------------|-------------|-------------|
| | RMB million | RMB million |
| Net profit before taxation | 1,374.46 | 1,117.70 |
| Net profit after taxation | 1,147.39 | 944.35 |

As at 31 December 2020, the total assets and net assets of CQP (based on PRC GAAP) were approximately RMB42,432.47 million and RMB10,480.58 million, respectively.

After the completion of the Previous Disposal and the Further Disposal, the equity interest in CQP indirectly held by the Company was reduced from approximately 3.48% to approximately 1.82%.

REASONS FOR AND BENEFITS OF THE FURTHER DISPOSAL

The Board considers that the Previous Disposal and the Further Disposal will enable the Company to further focus on its principal business. As at 30 June 2021, the book value of the CQP Shares in relation to the Previous Disposal and the Further Disposal was approximately RMB175.28 million. The CQP Shares account for financial assets in the Company's accounts, and are thus designated as equity investments measured at fair value and whose changes are included in other comprehensive income. Therefore, the Previous Disposal and the Further Disposal will not affect the Company's profit and loss. The Group intends to use the proceeds of the Previous Disposal and the Further Disposal to repay its loans and to supplement its general working capital.

As the Previous Disposal and the Further Disposal was made based on the market price, the Directors (including the independent non-executive Directors) are of the view that the Previous Disposal and the Further Disposal was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

Pursuant to Article 13 of the Implementation Rules for the Decrease in Shareholding of Shareholders, Directors, Supervisors and Senior Managers of Listed Companies, Maoye Commercial and its people acting in concert, as shareholders holding 5% or more of the CQP Shares and disposing the CQP Shares on the Shenzhen Stock Exchange through centralized auction transactions, should announce its plan to dispose of its shares 15 trading days before the disposal, if applicable. Any decisions in relation to the Group's interests in the CQP Shares will be made in compliance with the applicable regulations in the PRC and the Listing Rules.

LISTING RULES IMPLICATIONS

According to Rule 14.22 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all completed within a 12-month period or are otherwise related. The Previous Disposal and Further Disposal constitute a series of related transactions and are required to be aggregated pursuant to Rule 14.22 of the Listing Rules.

In respect of the Further Disposal, as one of the applicable percentage ratios on a standalone basis exceeds 5% but all of the applicable percentage ratios are less than 25%, the Further Disposal on a standalone basis constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. In respect of the Previous Disposal and the Further Disposal, as one of the applicable percentage ratios on an aggregate basis exceeds 5% but all of the applicable percentage ratios are less than 25%, the Previous Disposal and the Further Disposal on an aggregate basis also constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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

Hong Kong, 17 December 2021

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