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## **Jiumaojiu International Holdings Limited**

**九毛九国际控股有限公司**

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

**(Stock Code: 9922)**

### **VOLUNTARY ANNOUNCEMENT ACQUISITION OF LAND USE RIGHT**

This announcement is made by Jiumaojiu International Holdings Limited (九毛九国际控股有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

#### **ACQUISITION OF LAND USE RIGHT**

The board of directors of the Company (the “**Board**”) announces that the Group won the bid and had entered into an assignment agreement with the Municipal Bureau of Planning and Natural Resources of Fuling, Chongqing (重慶市涪陵區規劃和自然資源局) on October 19, 2022 to acquire the land use right to a plot of land located at Fuling District, Chongqing, China with a land site area of 33,173 square meters (“**Land**”) for a term of 50 years at an aggregate consideration of RMB9.96 million (the “**Land Acquisition**”).

#### **REASONS FOR AND BENEFITS OF THE LAND ACQUISITION**

The Group currently intends to build on the Land (i) a production plant of hot pot base and compound condiments (“**Production Plant**”), which is the bedrock for development of our hot pot brand Song Chongqing Hot Pot Factory and (ii) a central kitchen in Southwest China for the procurement, storage, and processing of food ingredients and hot pot condiments, as well as serving functions including logistics, distribution and brand display. The construction of the Production Plant and central kitchen is expected to enhance food safety and consistency of the dishes to be served at the Group’s restaurants, reduce the Group’s dependence on the operation and management of the Group’s restaurants, and enable the Group to strengthen its supply and capabilities to support the Group’s restaurant network expansion plans in Southwest China with a view to further enhancing its presence in China. The Group currently estimates that capital expenditure of approximately RMB200.0 million will be incurred in the coming two years for the construction of the Production Plant and the central kitchen and purchase of equipment and facilities.

Moreover, as the Production Plant and the central kitchen will be strategically located in Chongqing, Southwest China, the Group considers that it will enable the Group to better utilize various resources in the region, including but not limited to (i) the authentic raw materials and food ingredients, (ii) the pool of skilled and experienced staff in processing food ingredients and hot pot condiments, (iii) the readily available research and development resources and (iv) the well-developed and mature manufacturing and support system for food ingredients and hot pot condiments, thereby ensuring the authenticity of the Chongqing hot pot cuisine and enabling the Group to control the procurement costs of raw materials, food ingredients and related supplies effectively. Given the aforesaid reasons and benefits, the directors of the Company consider that the Land Acquisition is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Land Acquisition does not constitute a notifiable transaction or connected transaction under Chapter 14 or Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Jiumaojiu International Holdings Limited**  
**Guan Yihong**  
*Chairman*

Hong Kong, October 19, 2022

*As at the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive Director and Mr. Li Zhuoguang, Ms. Cui Longyu and Mr. He Chengxiao as executive Directors, and Mr. Deng Tao, Ms. Tang Zhihui and Ms. Zhu Rui as independent non-executive Directors.*