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If you have sold or transferred all your shares in **MAOYE INTERNATIONAL HOLDINGS LIMITED**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was affected for transmission to the purchaser or transferee.

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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)

**MAJOR TRANSACTION
DISPOSAL OF SHARES IN INZONEGROUP**

This circular is despatched to the Shareholders for information purpose only, and a written Shareholder's approval has been obtained in lieu of holding a general meeting of the Company pursuant to the Listing Rules.

30 November 2022

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Maoye International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	Maoye Department Store Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling shareholder (as defined in the Listing Rules) of the Company holding 4,200,000,000 shares in the Company as of the Latest Practicable Date (representing approximately 81.71% of the total issued share capital of the Company)
“Directors”	the directors of the Company
“Disposals”	the Previous Disposal and the Further Disposal
“Further Disposal”	the disposal of 44,982,775 shares of INZONEGROUP on the market by Zhongzhao and Shenzhen Maoye Department Store during the period from 24 June 2022 to 22 September 2022, for an aggregate consideration of approximately RMB248.13 million (exclusive of transaction costs)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INZONEGROUP”	INZONEGROUP Co., Ltd.* (銀座集團股份有限公司), a company limited by shares established in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600858)
“INZONEGROUP Shares”	the ordinary shares in the share capital of INZONEGROUP

DEFINITIONS

“Latest Practicable Date”	25 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers, as set out in Appendix 10 to the Listing Rules
“Mr. Huang”	Mr. Huang Mao Ru
“PRC”	the People’s Republic of China and for the purposes of this circular, excluding Hong Kong, Macau and Taiwan
“PRC GAAP”	generally accepted accounting principles of the PRC in effect as modified from time to time
“Previous Disposal”	the disposal of 10,401,400 shares of INZONEGROUP on the market by Zhongzhao during the period from 15 June 2022 to 21 June 2022, for an aggregate consideration of approximately RMB54.26 million (exclusive of transaction costs)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong)
“Shareholders”	the shareholders of the Company
“Shenzhen Maoye Department Store”	Shenzhen Maoye Department Store Co., Ltd* (深圳茂業百貨有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhongzhao”	Zhongzhao Investment Management Co., Ltd.* (中兆投資管理有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Huang Mao Ru (*Chairman*)

Mr. Zhong Pengyi

Ms. Lu Xiaojuan

Non-executive Director:

Mr. Wang Bin

Independent non-executive Directors:

Mr. Rao Yong

Mr. Pao Ping Wing

Mr. Gao Yajun

Registered Office:

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Grand Pavilion, Hibiscus Way

802 West Bay Road

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Head Office in the PRC:

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4003 Shennan East Road

Shenzhen

PRC

30 November 2022

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION DISPOSAL OF SHARES IN INZONEGROUP

INTRODUCTION

Reference is made to the announcements of the Company dated (i) 21 June 2022 in relation to the Previous Disposal (the “**Previous Disposal Announcement**”); and (ii) 22 September 2022 in relation to the Further Disposal (the “**Further Disposal Announcement**”) (collectively, the “**Announcements**”). Reference is also made to the announcement of the Company dated 17 October 2022 in relation to the grant of waiver under Rule 14.41(a) of the Listing Rules. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context otherwise requires.

The purpose of this circular is to provide you with, among other things, (i) further details on the Further Disposal; and (ii) other information as required under the Listing Rules.

LETTER FROM THE BOARD

THE FURTHER DISPOSAL

Reference is made to the Previous Disposal Announcement dated 21 June 2022 in relation to the disposal of an aggregate of 10,401,400 shares of INZONEGROUP on the open market by Zhongzhao during the period from 15 June 2022 to 21 June 2022, for an aggregate consideration of approximately RMB54.26 million (exclusive of transaction costs).

The Board announces that during the period from 24 June 2022 to 22 September 2022, Zhongzhao and Shenzhen Maoye Department Store further disposed of an aggregate of 44,982,775 shares of INZONEGROUP on the open market for an aggregate consideration of approximately RMB248.13 million (exclusive of transaction costs), representing approximately 8.65% of the issued share capital of INZONEGROUP as at the date of the Further Disposal Announcement. The average selling price of each INZONEGROUP Share was approximately RMB5.52. Immediately after the Further Disposal, the Group holds 19,042,749 INZONEGROUP Shares, representing approximately 3.66% of the issued share capital of INZONEGROUP as at the date of the Further Disposal Announcement.

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

INFORMATION ON INZONEGROUP

INZONEGROUP is a company limited by shares established in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600858). INZONEGROUP is mainly engaged in retail business in the PRC.

Based on the audited accounts of INZONEGROUP prepared based on PRC GAAP, the audited net profit (before taxation) and the audited net profit (after taxation) of INZONEGROUP for each of the financial years ended 31 December 2021 and 2020 are as follows:

	For the financial year ended 31 December	
	2021	2020
	<i>RMB million</i>	<i>RMB million</i>
Net profit before taxation	121.12	-295.02
Net profit after taxation	11.47	-427.22

LETTER FROM THE BOARD

As at 31 December 2021, the total assets and net assets of INZONEGROUP (based on PRC GAAP) were approximately RMB11,904.06 million and RMB2,397.03 million, respectively.

After the completion of the Disposals, the equity interest in INZONEGROUP held by the Group was reduced from 14.31% to 3.66%.

LISTING RULES IMPLICATIONS

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

As the Previous Disposal and the Further Disposal were conducted within a 12-month period, they were required to be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As the highest applicable percentage ratio calculated pursuant to Chapter 14 of the Listing Rules in respect of the Disposals (in aggregate) exceeds 25% but is less than 75%, the Disposals constitute a major transaction for the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, shareholders' approval is required for a major transaction. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has any material interest in the Disposals. Thus, if the Company were to convene a general meeting to approve the Disposals, no Shareholder is required to abstain from voting on the resolutions in relation to the Disposals. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained written shareholder's approval from Maoye Department Store Investment Limited (a controlling shareholder as defined under the Listing Rules and the holder of 4,200,000,000 Shares as at the date of the Further Disposal Announcement, representing approximately 81.71% of the issued share capital of the Company) for the approval of the Disposals in lieu of a resolution to be passed at the general meeting of the Company. As such, no extraordinary general meeting will be convened by the Company to approve the Disposals.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE FURTHER DISPOSAL

The Board considers that the Disposals will enable the Company to further focus on its principal business and to optimise its financial structure. As at 31 December 2021, the book value of the INZONEGROUP Shares in relation to the Disposals was approximately RMB287.44 million. The INZONEGROUP Shares are accounted for as financial assets in the Company's accounts, and are designated as equity investments measured at fair value through other comprehensive income. Therefore, the Disposals will not affect the Company's current profit and loss. The Group is expected to recognise in its consolidated statement of comprehensive income a total loss before taxation included in the other comprehensive income for the Disposals of approximately RMB7.35 million, which is calculated based on the net consideration received and carrying values of the respective INZONEGROUP Shares at the relevant times of disposals. The exact amount of the loss on the Disposals to be recognised in the consolidated financial statements of the Group is subject to audit. The Group intends to use the proceeds of the Disposals to repay its loans and to supplement its general working capital.

Although the Group is expected to recognise in its consolidated statement of comprehensive income a total loss before taxation, the Board considers the Disposals provide immediate liquidity to the Group and enhances the Group's working capital position, thereby allowing the Group to re-allocate the proceeds of the Disposals to the principal business of the Group and its overall strategy. As disclosed in the 2022 interim report of the Company, the Previous Disposal allowed the Group to further consolidate its asset quality; the Board expects the Further Disposal to be an extension of this strategy. Going forward, the Group remains optimistic on its principal business, and will continue to reinvest in the same.

As the Disposals were made based on the market price, and in light of the above, the Directors (including the independent non-executive Directors) are of the view that the Disposals were fair and reasonable, and were in the interests of the Company and its Shareholders as a whole.

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.

LETTER FROM THE BOARD

Shenzhen Maoye Department Store

Shenzhen Maoye Department Store is a company established in the PRC and an indirect non-wholly owned subsidiary of the Company, principally engaging in the operation of a department store.

Zhongzhao

Zhongzhao is a company established in the PRC and a wholly-owned subsidiary of the Company, principally engaging in investment holding.

FINANCIAL EFFECTS OF THE DISPOSALS AND USE OF PROCEEDS

As at the Latest Practicable Date, the Disposals had been completed and the Company's equity interest in INZONEGROUP had been reduced from 14.31% to 3.66%. As disclosed above, as at 31 December 2021, the book value of the INZONEGROUP Shares in relation to the Disposals was approximately RMB287.44 million. The INZONEGROUP Shares are accounted for as financial assets in the Company's accounts, and are designated as equity investments measured at fair value through other comprehensive income. The equity investments designated at fair value through other comprehensive income are expected to reduce as a result of the Disposals. The Disposals will not affect the Company's current profit and loss. The Group is expected to recognise in its consolidated statement of comprehensive income a total loss before taxation included in the other comprehensive income for the Disposals of approximately RMB7.35 million, which is calculated based on the net consideration received and carrying values of the respective INZONEGROUP Shares at the relevant times of disposals. The exact amount of the loss on the Disposals to be recognised in the consolidated financial statements of the Group is subject to audit. The Group intends to use the proceeds of the Disposals to repay its loans and to supplement its general working capital.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendices to this circular.

LETTER FROM THE BOARD

RECOMMENDATION

As the Disposals, were conducted through open market and made based on market prices, the Directors (including the independent non-executive Directors) are of the view that the Disposals were fair and reasonable, and are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of the resolutions approving the Further Disposal.

The above statement is for Shareholders' reference only given that the Company has already obtained the written approval from the Controlling Shareholder for the Further Disposal and hence pursuant to Rule 14.44 of the Listing Rules, no general meeting of the Company will be convened to approve the Further Disposal.

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

FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the years ended 31 December 2019, 2020 and 2021 are disclosed in the annual reports of the Company for the year ended 31 December 2019, 2020 and 2021, respectively, and the interim unaudited consolidated financial statements of the Group for the six months ended 30 June 2022 is disclosed in the interim report of the Company for the six months ended 30 June 2022, all of which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.maoye.cn):

- annual report of the Company for the year ended 31 December 2021, on pages 89 to 250:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0420/2022042000464.pdf>

- annual report of the Company for the year ended 31 December 2020, on pages 93 to 258:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0420/2021042000288.pdf>

- annual report of the Company for the year ended 31 December 2019, on pages 93 to 254:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0420/2020042000505.pdf>

- interim report of the Company for the six months ended 30 June 2022, on pages 25 to 76:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0913/2022091300373.pdf>

WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account its present available financial resources, the Group will have sufficient working capital for its present requirements and for the period up to 12 months from the date of this circular in the absence of unforeseen circumstances.

INDEBTEDNESS STATEMENT

As at 30 September 2022, the Group had total outstanding interest-bearing bank loans and other borrowings of approximately RMB12,906.74 million, comprising guaranteed & secured bank loans and other borrowings of RMB7,479.74 million, and unguaranteed & secured bank loans and other borrowings of RMB5,427.00 million.

As at 30 September 2022, certain of the Group's interest-bearing bank loans and other borrowings were secured by certain land and buildings, right-of-use assets, investment properties and properties under development of the Group of approximately RMB3,840.09 million, RMB236.72 million, RMB8,309.17 million and RMB1,923.70 million, respectively.

As at 30 September 2022, certain of the Group's interest-bearing bank loans and other borrowings were secured by pledging shares of one subsidiary and financial assets held by the Group with fair value of approximately RMB859.68 million.

As at 30 September 2022, except from corporate guarantees provided to secure the borrowings granted to subsidiaries, the Group provided guarantees of RMB611.84 million to banks for mortgaged loans procured by the purchasers of the Group's properties.

As at 30 September 2022, pursuant to International Financial Reporting Standard 16 (IFRS16), the Group had total lease liabilities under lease arrangements which arrived at RMB2,205.99 million.

Save as aforesaid, as at the close of business on 30 September 2022, the Group did not have any outstanding mortgages, pledge, debentures, loan capital, bank loans and overdrafts or other similar indebtedness, finance leases or hire purchase commitments, acceptance liabilities or acceptance credits, any guarantees or other material contingent liabilities.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

Since the first half of 2022, the international situation has been complicated and severe, and the world economic growth has slowed down. The domestic epidemic has spread frequently and caused serious impact on the stable operation of the economy. According to data released by the National Bureau of Statistics, the gross domestic product (GDP) in the first half of the year reached RMB56.26 trillion, representing a year-on-year increase of 2.5% at constant prices, which showed the growth rate has slowed down. In the first half of the year, the total retail sales of consumer goods reached RMB21.04 trillion, a year-on-year decrease of 0.7%. Since March 2022, regions across the country are being affected by the pandemic one after another, showing a downward trend year-on-year. In June, the total retail sales of consumer goods changed from a decline to a year-on-year increase of 3.1%, showing the effective control of the rebound of the epidemic. Under the guiding policies of overall planning of epidemic prevention and control and social economic growth, the foundation for stable economic recovery has been consolidated, and the level of market sales has been marginally improved.

According to statistics from the China National Commercial Information Center, in the first half of 2022, the retail sales of national 100 key large-scale retail enterprises decreased 14.1% year-on-year, while the retail sales in June decreased 3.2% year-on-year, which narrowed by 20.5 percentage points from the previous month, showing a continuous recovery trend. On the whole, affected by the epidemic, catering consumption with interacting and clustering characteristics still showed large decline, and the growth rate of retail sales has not yet turned positive. In terms of consumption trends, the proportion of online consumption continued to increase, and the sales of retail business which closely related to basic life, such as self-service supermarkets and community retail stores, showed a good growth trend.

For the six months ended 30 June 2022, the Group operated and managed a total of 48 stores in 21 cities nationwide with gross floor area of approximately 3.1 million sq.m., of which operating area attributable to self-owned properties accounted for 77.9% (including gross floor area leased from related parties, 84.4%). Coverage of key cities included Shenzhen and Zhuhai in Guangdong; Chengdu, Nanchong and Mianyang in Sichuan; Chongqing; Wuxi, Yangzhou, Taizhou, Nanjing and Huai'an in Jiangsu; Zibo, Laiwu and Heze in Shandong; Qinhuangdao and Baoding in Hebei; Shenyang and Jinzhou in Liaoning; Taiyuan in Shanxi; Hohhot and Baotou in Inner Mongolia.

As one of the leading mid-to-high-end physical retailers in China, the Group has been committed to building a good reputation through diversified product mix and continuously improving consumer experience, so as to continue to attract new and old customers. During the reporting period, the Group laid foundation for its principal businesses and made intensive and penetrative efforts, consolidated its own resilience and strength in a complicated and ever-growing market environment, continuously improved the quality of operation and management, fully dug into the growth potential of high-quality commodity resources and continued to grow through brand adjustment and creative marketing. The business operation has gradually recovered, and sustainable and healthy development has been achieved. The Company's major operational highlights are as follows:

- Adhere to professional operation and promote refined management
- Actively promote service upgrade and organizational innovation through technology empowerment
- Online business continued to upgrade, online and offline marketing interaction, and the construction of an interconnected full retail ecosystem
- Promote the construction of new stores steadily to prepare for better future growth
- Consolidate asset quality and optimize debt structure

Looking ahead, the economic outlook and the retail industry are still full of uncertainties and challenges. In the post-epidemic era, local epidemics emerge one after another, which will continue to affect the process of economic recovery. The Group remains highly concerned on the current situation and will continue to enhance its wisdom and resilience in coexisting with the COVID-19 pandemic. The Group will closely follow the development trend of consumption and commerce, continue to consolidate high-quality service capabilities, improve store operating efficiency, and optimize store layout. At the same time, the Group will hold on to technological empowerment, actively explore and innovate in response to the transformation of online and offline consumption formats in the post-epidemic era, continue to promote digital upgrades, explore new areas of business growth, and achieve collaborative innovation and development of online and offline businesses.

For the six months ended 30 June 2022, total sales proceeds and rental income of the Group were RMB4,962.5 million, representing a decrease of 15.2% as compared with the corresponding period in 2021, mainly due to the impact of the macroeconomic environment and the domestic COVID-19 epidemic, which impacted the overall performance of the retail industry as well as the operation of the Group's stores.

	Six months ended 30 June 2022 <i>(RMB'000)</i>
Total sales proceeds from concessionaire sales	3,541,652
Direct sales income	784,416
Rental income	<u>636,420</u>
Total sales proceeds and rental income	<u><u>4,962,488</u></u>

Among the total sales proceeds and rental income of the Group for the first half of 2022, total sales proceeds derived from concessionaire sales accounted for 71.4%, those derived from direct sales income accounted for 15.8%, and those derived from rental income accounted for 12.8%. For the six months ended 30 June 2022, the Group's sales proceeds from concessionaire sales were RMB3,541.7 million, representing a decrease of 19.9% as compared with the corresponding period in 2021; revenue from direct sales was RMB784.4 million, representing a decrease of 13.2% as compared with the corresponding period in 2021; rental income was RMB636.4 million, representing an increase of 21.6% as compared with the corresponding period in 2021.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules 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 circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in shares and underlying shares of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Long positions in the shares of the Company

Name of director	Capacity	Number of ordinary shares interested	Approximate percentage of the Company's issued share capital
Mr. Huang Mao Ru	Interest of controlled corporations	4,200,000,000 (Note)	81.71%
	Beneficial owner	<u>50,000,000</u>	<u>0.97%</u>
		<u>4,250,000,000</u>	<u>82.68%</u>
Ms. Lu Xiaojuan	Beneficial owner	<u>411,000</u>	<u>0.01%</u>

Note: These shares were held by Maoye Department Store Investment Limited, a wholly-owned subsidiary of MOY International Holdings Limited, which in turn was wholly owned by Mr. Huang.

(ii) Long position in shares of associated corporations of the Company

Maoye Department Store Investment Limited, the immediate holding company of the Company

Name of director	Capacity	Number of ordinary shares interested	Percentage of the issued share capital in such associated corporation
Mr. Huang Mao Ru	Interest of controlled corporations	2 (Note)	100%

Note: These shares were held by MOY International Holdings Limited, which was wholly owned by Mr. Huang.

MOY International Holdings Limited, the ultimate holding company of the Company

Name of director	Capacity	Number of ordinary shares interested	Percentage of the issued share capital in such associated corporation
Mr. Huang Mao Ru	Beneficial owner	100	100%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, no Director or proposed Director was a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

(b) Substantial shareholders' interests and short positions in shares and underlying shares of the Company

As at the Latest Practicable Date, the following persons (other than the Directors of the Company, whose interests have been disclosed in the above section headed "Directors' and chief executives' interests and short positions in shares and underlying shares of the Company and its associated corporations") had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long position in the shares of the Company

Name	Capacity	Number of ordinary shares interested	Approximate percentage of the Company's issued share capital
Mrs. Huang Jingzhang	Interest of spouse	4,250,000,000 <i>(Note (a))</i>	82.68%
Maoye Department Store Investment Limited <i>(Note (c))</i>	Beneficial owner	4,200,000,000 <i>(Note (b))</i>	81.71%
MOY International Holdings Limited <i>(Note (c))</i>	Interest of controlled corporation	4,200,000,000 <i>(Note (b))</i>	81.71%

Notes:

- (a) Mrs. Huang Jingzhang was deemed to be interested in these shares through the interest of her spouse, Mr. Huang.
- (b) Maoye Department Store Investment Limited was a wholly-owned subsidiary of MOY International Holdings Limited. Such interests were also disclosed as the interests of Mr. Huang in the above section headed "Directors' and chief executives' interests and short positions in shares and underlying shares of the Company and its associated corporations".
- (c) Mr. Huang Mao Ru, an executive Director and the chairman and chief executive officer of the Company, is also a director of each of Maoye Department Store Investment Limited and MOY International Holdings Limited. Save for the above, none of the Directors are directors or employees of each of Maoye Department Store Investment Limited and MOY International Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, no person (other than the directors of the Company, whose interests have been disclosed in the above section headed “Directors’ and chief executives’ interests and short positions in shares and underlying shares of the Company and its associated corporations”) had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

3. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

4. LITIGATION

As at the Latest Practicable Date, no members of the Group were engaged in any litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

5. COMPETING INTERESTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Mr. Huang owns Wuxi Maoye Property Co., Ltd.* through Richon Holdings Limited, a company wholly-owned by Mr. Huang. Wuxi Maoye Property Co., Ltd.* is engaged in department store operation and operates a shopping center in Wuxi. As at 30 June 2022, its unaudited net assets amounted to RMB317.05 million. For the six months ended 30 June 2022, (i) its unaudited operating income amounted to approximately RMB107.07 million, and (ii) its unaudited net profit after tax amounted to approximately RMB27.92 million. The shopping center in Wuxi is managed by the Group under management agreements entered on 1 January 2020 to operate Maoye-branded department stores.

In addition, Mr. Huang owned a 18.93% equity interest in Guiyang Friendship Group Holdings Company Limited* (the “**Guiyang Friendship Group**”) as of the Latest Practicable Date. Guiyang Friendship Group focuses on department store retailing, and is a comprehensive enterprise with commercial real estate and property management business as well. It primarily operates the Times Square Shopping Mall Store in Guiyang, Guizhou Province. As at 30 June 2022, its unaudited net assets amounted to RMB115.75 million. For the six months ended 30 June 2022, (i) its unaudited operating income amounted to approximately RMB73.66 million, and (ii) its unaudited net profit after tax amounted to approximately RMB6.37 million.

6. DIRECTORS’ INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2019, the date to which the latest published audited financial statements of the Group were made up.

As at the Latest Practicable Date, save as disclosed below, no Director had a significant beneficial interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year:

The Company and Maoye Holdings Limited which is wholly-owned by Mr. Huang, have entered into the new leasing framework agreement dated 28 December 2018 (the “**New Leasing Framework Agreement**”) as amended by the supplemental agreement dated 14 March 2019 and the supplemental agreement dated 29 May 2019, pursuant to which the Group may lease premises from Maoye Holdings Limited for (i) a period of 6 years with effect from 1 January 2019 in respect of the lease of the relevant premises for office use, and (ii) a period of 15 years with effect from 1 January 2019 in respect of the lease of the relevant premises for operational use.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the Group within two years immediately preceding the issue of this circular:

- (a) The share transfer agreement dated 12 October 2020 entered into between Chengdu Renhe Industrial (Group) Limited* and Chengshang Group Holdings Co., Ltd.*, in relation to, among other things, the transfer of the shares in Chengdu Renhe Investment Co., Ltd.*; and
- (b) The relocation compensation agreement dated 22 November 2021 entered into between Chengdu Huatian Cultural Tourism Development Co., Ltd.* and Chengshang Group Holdings Co., Ltd.*.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2021, being the date to which the latest published and audited financial statements of the Group were made up.

9. MISCELLANEOUS

- (a) The registered office of the Company is located at P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands. The head office in the PRC is at 38/F, Tower A, World Finance Centre, 4003 Shennan East Road, Shenzhen, PRC and the principal place of business in Hong Kong is at Room 3301, 33/F, Office Tower Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) The company secretary of the Company is Ms. Yan Xin (“**Ms. Yan**”). Ms. Yan was appointed as the secretary of the Company in June 2022. Ms. Yan is a Chartered Secretary and a member of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom.
- (d) This circular has been printed in English and Chinese, in the event of inconsistency, the English version shall prevail.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and website of the Company (www.maoye.cn) for a period of 14 days from the date of this circular:

- (a) the articles of association of the Company;
- (b) the letter from the Board, the text of which is set out on pages 3 to 8 of this circular;
- (c) the 2020 and 2021 annual reports of the Company; and
- (d) this circular.