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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)**

**POTENTIAL MAJOR TRANSACTION  
IN RELATION TO THE RELOCATION COMPENSATION  
AGREEMENT FOR THE LAND, PROPERTIES AND FACILITIES**

**THE RELOCATION**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that on 9 December 2022, the Board approved the entering into of the Relocation Compensation Agreement in relation to, among other things, the Relocation and the Relocation Compensation. The terms of the Relocation Compensation Agreement are currently being finalized between the Chengshang Holding and Chengdu Jinniu, and the final terms of the Relocation and Relocation Compensation are subject to the signing of the Relocation Compensation Agreement. If entered into, under the terms of the current draft of the Relocation Compensation Agreement, among other things, Chengshang Holding shall receive an aggregate sum of approximately RMB415.70 million as the Relocation Compensation for the Relocation.

**IMPLICATION UNDER THE LISTING RULES**

On the basis that the Relocation Compensation Agreement is entered into, with the Relocation Compensation amount remaining unchanged and the trading prices of the Shares on the Stock Exchange during the period from the date of this announcement up to the date of the Relocation Compensation Agreement remaining stable, it is expected that the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the proposed transaction contemplated under the Relocation Compensation Agreement will exceed 25%, but all such percentage ratios are expected to be less than 75%. As such, the proposed transaction contemplated under the Relocation Compensation Agreement is expected to constitute a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and

Shareholders' approval requirements under the Listing Rules.

The Company will make further announcement(s) when the terms of the Relocation Compensation Agreement have been finalized, and the Relocation Compensation Agreement has been signed.

**The Relocation and the Relocation Compensation is subject to the signing of the Relocation Compensation Agreement. Therefore, the Relocation may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

## THE RELOCATION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that on 9 December 2022, the Board approved the entering into of the Relocation Compensation Agreement by Chengshang Holding, an indirect non-wholly-owned subsidiary of the Company, with Chengdu Jinniu in relation to, among other things, the Relocation and the Relocation Compensation. The terms of the Relocation Compensation Agreement are currently being finalized between the Chengshang Holding and Chengdu Jinniu, and the final terms of the Relocation and Relocation Compensation are subject to the signing of the Relocation Compensation Agreement. If entered into, under the terms of the current draft of the Relocation Compensation Agreement, among other things, Chengshang Holding shall receive an aggregate sum of approximately RMB415.70 million as the Relocation Compensation for the Relocation.

Further particulars of the draft Relocation Compensation Agreement, which are subject to the signing of the Relocation Compensation Agreement, are set out below:

**Parties:** (1) Chengdu Jinniu; and  
(2) Chengshang Holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Chengdu Jinniu and its ultimate beneficial owner, Chengdu Jinniu District Finance Bureau (成都市金牛區財政局), are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

**Subject matter of the Relocation Compensation:** The Land, Properties and Facilities are situated on No.2, Gongjiao Road, North Railway Station, Jinniu District, Chengdu, Sichuan Province, China. The land area is 3,041.20 square meters. The total floor area within the parcel of land is 9,063.54 square meters.

At present, the upper building of the land is a shopping mall, which is mainly used for external lease. The annual rental income is approximately RMB6.7 million.

**Amount of the Relocation Compensation:** Approximately RMB415.70 million, which shall be payable by Chengdu Jinniu at such time and in such manner as follows:

(1) a sum of approximately RMB166.28 million shall be paid by Chengdu Jinniu to Chengshang Holding within 15 business days of the signing of the Relocation Compensation Agreement;

(2) a sum of approximately RMB228.64 million shall be paid by Chengdu Jinniu to Chengshang Holding within 15 business days of Chengshang Holding handing over the entirety of the Land, Properties and Facilities to Chengdu Jinniu and inspected by Chengdu Jinniu; and

(3) the remaining balance in the amount of approximately RMB20.78 million shall be paid by Chengdu Jinniu to Chengshang Holding within 15 business days of Chengshang Holding completing the cancellation of registration of the relevant water, electricity and gas accounts, and the state-owned land use rights certificate.

## **INFORMATION OF 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.

### **Chengshang Holding**

Chengshang Holding is a company incorporated in China and a wholly-owned subsidiary of Maoye Commercial. Maoye Commercial 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, property leasing and hotel business.

### **Chengdu Jinniu**

Chengdu Jinniu is a state-owned enterprise beneficially owned by the Chengdu Jinniu District Finance Bureau. It is located in Jinniu District, Chengdu, Sichuan Province, China, and is responsible for the

Relocation.

## **REASONS AND BENEFITS FOR THE RELOCATION**

As part of the construction plan of the Chengdu Chongqing Central Railway Line of the Chengdu Municipal Government of Sichuan Province, the Jinniu District Government of Chengdu issued to Chengshang Holding a notice of land resumption work. Chengshang Holding and Chengdu Jinniu conducted fair negotiations over the handling of the Land, Properties and Facilities for the Relocation, and proposed to sign a Relocation Compensation Agreement. Chengshang Holding has made reasonable arrangements for the subsequent transitional matters, and should the Relocation materialize and the Relocation Compensation Agreement be signed, the Relocation is not expected to have a significant negative impact on Chengshang Holding's business operations. Should the Relocation materialize, it is intended that the Relocation Compensation will be applied as general working capital and for the business development of Chengshang Holding, and the management of Chengshang Holding will ensure that the Relocation Compensation is used reasonably. It is expected that the Relocation will have a positive impact on the 2022 financial indicators of Chengshang Holding and the Company, and that it will help the Company's development of its future business and implementation of its strategy.

## **IMPLICATION UNDER THE LISTING RULES**

On the basis that the Relocation Compensation Agreement is entered into, with the Relocation Compensation amount remaining unchanged and the trading prices of the Shares on the Stock Exchange during the period from the date of this announcement up to the date of the Relocation Compensation Agreement remaining stable, it is expected that the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the proposed transaction contemplated under the Relocation Compensation Agreement will exceed 25%, but all such percentage ratios are expected to be less than 75%. As such, the proposed transaction contemplated under the Relocation Compensation Agreement is expected to constitute a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

The Company will make further announcement(s) when the terms of the Relocation Compensation Agreement have been finalized, and the Relocation Compensation Agreement has been signed.

**The Relocation and the Relocation Compensation is subject to the signing of the Relocation Compensation Agreement. Therefore, the Relocation may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following terms shall have the following meanings:

"Board "	the board of Directors;
"Chengdu Jinniu"	Chengdu Jinniu Guotou Construction Co.,Ltd. (成都市金牛國投建設有限公司), a company incorporated in China;
"Chengshang Holding"	Chengshang Group Holding Co., Ltd. (成商集團控 股 有 限 公 司 ), a company incorporated in China and an indirect non-wholly-owned subsidiary of the Company;
"Company "	Maoye International Holdings Limited and its subsidiaries, 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;
"Director(s)"	the director(s) of the Company;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Land, Properties and Facilities"	the land (the " <b>Land</b> "), properties (the " <b>Properties</b> ") and facilities (the " <b>Facilities</b> ") are situated on No.2, Gongjiao Road, North Railway Station, Jinniu District, Chengdu, Sichuan Province, China. The Land area is 3,041.20 sq.m., and the gross floor area of the Properties and Facilities is 9,063.54 sq. m.;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Maoye Commercial"	Maoye Commercial Co., Ltd. ( 茂 業 商 業 股 份 有 限 公 司 ) , an indirect non-wholly-owned subsidiary of the Company, and a joint stock limited company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600828);
"PRC" or "China"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
"Relocation"	the relocation of Chengshang Holding under the terms and conditions of the Relocation Compensation Agreement;
"Relocation"	the aggregate amount of approximately RMB415.70 million

Compensation"	payable to Chengshang Holding as compensation for the Relocation under the Relocation Compensation Agreement;
"Relocation Compensation Agreement"	the relocation compensation agreement to be entered into between Chengshang Holding and Chengdu Jinniu;
"RMB"	Renminbi, the lawful currency of the PRC;
"Share(s) "	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
"Shareholder(s)"	the shareholders of the Company;
"sq.m."	square metres; and
"Stock Exchange"	The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 9 December 2022

*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*