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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)

CONTINUING CONNECTED TRANSACTIONS

ENTERING INTO THE ELEVATOR MAINTENANCE FRAMEWORK AGREEMENT

THE ELEVATOR MAINTENANCE FRAMEWORK AGREEMENT

The Board announces that the Company intends to enter into the Elevator Maintenance Framework Agreement with Zhongzhao Building, pursuant to which Zhongzhao Building will be entrusted to provide maintenance services for the elevators owned or used by the Group's stores or buildings. The relevant members of the Group will enter into specific elevator maintenance agreements separately with Zhongzhao Building to set out the specific terms and conditions in respect of the provision of elevator maintenance services by Zhongzhao Building.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhongzhao Building is beneficially owned by Mr. Huang, the controlling Shareholder and a Director. Therefore, Zhongzhao Building is a connected person of the Company under Chapter 14A of the Listing Rules, and the Elevator Maintenance Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the proposed annual caps of the Elevator Maintenance Framework Agreement are all less than 5%, the Elevator Maintenance Framework Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements pursuant to Chapter 14A of the Listing Rules but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirement.

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provide maintenance services for the elevators owned or used by the Group's stores or buildings. The relevant members of the Group will enter into specific elevator maintenance agreements separately with Zhongzhao Building to set out the specific terms and conditions in respect of the provision of elevator maintenance services by Zhongzhao Building. The Elevator Maintenance Framework Agreement, each specific elevator maintenance agreement and the transactions contemplated thereunder will be conducted in the ordinary and usual course of business of the Group and will be agreed on an arm's length basis with terms which are fair and reasonable to the Group.

PRINCIPAL TERMS OF THE ELEVATOR MAINTENANCE FRAMEWORK AGREEMENT

- Parties:** (1) The Company (for itself and on behalf of its subsidiaries); and
(2) Zhongzhao Building (for itself and on behalf of its subsidiaries).
- Term:** From 24 March 2023 to 31 December 2025 (both days inclusive)
- Principal terms:** The Group intends to entrust Zhongzhao Building to provide elevator maintenance services. The relevant members of the Group will enter into specific agreements separately with Zhongzhao Building to set out the specific terms and conditions in respect of the provision of elevator maintenance services by Zhongzhao Building.
- Pricing policy:** The amounts payable shall be set out in the specific elevator maintenance agreements to be entered into by the relevant members of the Group with Zhongzhao Building, which shall be determined with reference to the following:
- (1) arm's length discussions between the relevant members of the Group and Zhongzhao Building;
 - (2) the scope and standards of the elevator maintenance services to be provided, and the market price for such elevator maintenance services. The reference market price shall be determined through obtaining quotations from independent third-party service providers on the open market;
 - (3) the prices the Group had historically paid for similar elevator maintenance services; and
 - (4) the relevant elevator maintenance industry standards and laws and regulations.
- The above prices and terms shall not deviate from the prices and terms offered by independent third parties for the provision of similar services to the Group.
- Payment terms:** Payments shall be made in accordance with the terms of the specific elevator maintenance agreements to be entered into between the relevant members of the

Group and Zhongzhao Building.

The amounts payable under each of the specific elevator maintenance agreements are expected to be financed by the internal resources of the Group.

PROPOSED ANNUAL CAPS AND BASIS

The proposed annual caps by the Board in respect of the Elevator Maintenance Framework Agreement during the following periods are set out below:

	From 24 March 2023 to 31 December 2023 <i>(RMB million)</i>	For the year ended 31 December 2024 <i>(RMB million)</i>	For the year ended 31 December 2025 <i>(RMB million)</i>
Elevator Maintenance Framework Agreement	3.00	3.00	3.00

In determining and calculating the proposed annual caps, the Board has considered the following factors: (1) the transaction amounts determined under the pricing policies mentioned above; (2) the relevant elevator maintenance industry standards and laws and regulations; (3) the operating conditions of the Group's stores and buildings, and the number of elevators of the Group requiring Zhongzhao Building's elevator maintenance services; and (4) a reasonable buffer to allow flexibility in the annual transaction amounts under each of the specific elevator maintenance agreements.

REASONS AND BENEFITS FOR THE TRANSACTIONS

Zhongzhao Building is a company specialising in the installation and maintenance of special equipments and elevators. Conducting the elevator maintenance transactions, entering into the Elevator Maintenance Framework Agreement are in line with the Group's principal business and actual development needs. The Directors (including the independent non-executive Directors) are of the view that the terms of the Elevator Maintenance Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) are: (1) on normal commercial terms or better; (2) entered into in the ordinary and usual course of business of the Group; and (3) are fair and reasonable and in the interests of the Company and its Shareholders as a whole. None of the Directors (other than Mr. Huang) has any material interest in the transactions under the Elevator Maintenance Framework Agreement, and none of them (other than Mr. Huang) had abstained from voting on the board resolution approving the transactions under the Elevator Maintenance Framework Agreement.

INFORMATION OF THE PARTIES

The Company

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

Zhongzhao Building

Zhongzhao Building is a company incorporated in China and is indirectly wholly-owned by Mr. Huang, the controlling Shareholder and a Director. It is a company specialising in the installation and maintenance of special equipments and elevators.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhongzhao Building is beneficially owned by Mr. Huang, the controlling Shareholder and a Director. Therefore, Zhongzhao Building is a connected person of the Company under Chapter 14A of the Listing Rules, and the Elevator Maintenance Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the proposed annual caps of the Elevator Maintenance Framework Agreement are all less than 5%, the Elevator Maintenance Framework Agreement and the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements pursuant to Chapter 14A of the Listing Rules but is exempt from the circular (including independent financial advice) and independent Shareholders' approval requirement.

DEFINITIONS

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

“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 Persons”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Elevator Maintenance Framework	the elevator maintenance framework agreement proposed to be entered into between the Company (for itself and on behalf of its

Agreement”	subsidiaries) and Zhongzhao Building (for itself and on behalf of its subsidiaries) on 24 March 2023;
“Group”	the Company and its subsidiaries updated from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Huang”	Mr. Huang Maoru, a controlling shareholder and Director of the Company;
“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;
“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;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Zhongzhao Building”	Shenzhen Zhongzhao Building Technology Co., Ltd., a company incorporated in China with limited liability and beneficially owned by Mr. Huang.

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

Hong Kong, 24 March 2023

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