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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

THE INTEGRATED SANITATION SERVICES FRAMEWORK AGREEMENT

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On 29 September 2023, Qinhuangdao Maoye Real Estate Development Co. (an indirect wholly-owned subsidiary of the Company) entered into the Existing Integrated Sanitation Services Agreement with Huayu Environmental, pursuant to which Huayu Environmental shall provide integrated sanitation services for Qinhuangdao Maoye Complex, a shopping center within the Group's retail network. The largest annual cap for the Existing Integrated Sanitation Services Agreement was approximately RMB2.2 million. Pursuant to Rule 14A.76(1) of the Listing Rules, the Existing Integrated Sanitation Services Agreement and the transactions contemplated thereunder constituted de minimis transactions and as such, were fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

In view of the positive results of the cooperation between the Group and Huayu Environmental under the Existing Integrated Sanitation Services Agreement, and the business need for similar integrated sanitation services to be provided at other locations within the Group's retail network, it is expected that the transaction amount for the two financial years ending 31 December 2025 between the Group and Huayu Environmental and its subsidiaries will be higher than the annual caps under the Existing Integrated Sanitation Services Agreement.

The Board announces that the Company intends to enter into the Integrated Sanitation Services Framework Agreement with Huayu Environmental, to provide a framework for the continued provision of the integrated sanitation services for Qinhuangdao Maoye Complex under the Existing Integrated Sanitation Services Agreement, to provide a framework for the provision of the integrated sanitation services for other locations within the Group's retail network, and to set annual caps for the two financial years ending 31 December 2025. Pursuant to the Integrated Sanitation Services Framework Agreement, Huayu Environmental or its subsidiaries shall provide integrated sanitation services for the spaces and settings owned or used by the Group's stores or buildings (including but not limited to Qinhuangdao Maoye Complex). Under the Integrated Sanitation

Services Framework Agreement, members of the Group will enter into separate integrated sanitation services agreements with Huayu Environmental or its subsidiaries, to set out the specific terms and conditions in respect of the provision of integrated sanitation services by Huayu Environmental or its subsidiaries.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Huayu Environmental is indirectly controlled by Ms. Lv Xiaoqing, a director of Maoye Commercial Co., Ltd., which is a subsidiary of the Company. Therefore, Huayu Environmental is a connected person of the Company under Chapter 14A of the Listing Rules, and both the Existing Integrated Sanitation Services Agreement and the Integrated Sanitation Services Framework Agreement, and the transactions contemplated thereunder, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the largest annual cap of the Existing Integrated Sanitation Services Agreement (being approximately RMB2.2 million) were all less than 1%, pursuant to Rule 14A.76(1) of the Listing Rules, the Existing Integrated Sanitation Services Agreement and the transactions contemplated thereunder constituted de minimis transactions and as such, were fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the largest annual cap of the Integrated Sanitation Services Framework Agreement (which incorporates the annual caps for the Existing Integrated Sanitation Services Agreement) are all less than 5%, the Integrated Sanitation Services Framework Agreement and the transactions contemplated thereunder (including the transactions contemplated under the Existing Integrated Sanitation Services Agreement) 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.

THE INTEGRATED SANITATION SERVICES FRAMEWORK AGREEMENT

On 29 September 2023, Qinhuangdao Maoye Real Estate Development Co. (an indirect wholly-owned subsidiary of the Company) entered into the Existing Integrated Sanitation Services Agreement with Huayu Environmental, pursuant to which Huayu Environmental shall provide integrated sanitation services for Qinhuangdao Maoye Complex, a shopping center within the Group's retail network. The largest annual cap for the Existing Integrated Sanitation Services Agreement was approximately RMB2.2 million. Pursuant to Rule 14A.76(1) of the Listing Rules, the Existing Integrated Sanitation Services Agreement and the transactions contemplated thereunder constituted de minimis transactions and as such, were fully exempt from the

shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

In view of the positive results of the cooperation between the Group and Huayu Environmental under the Existing Integrated Sanitation Services Agreement, and the business need for similar integrated sanitation services to be provided at other locations within the Group's retail network, it is expected that the transaction amount for the two financial years ending 31 December 2025 between the Group and Huayu Environmental and its subsidiaries will be higher than the annual caps under the Existing Integrated Sanitation Services Agreement.

The Board announces that the Company intends to enter into the Integrated Sanitation Services Framework Agreement with Huayu Environmental, to provide a framework for the continued provision of the integrated sanitation services for Qinhuangdao Maoye Complex under the Existing Integrated Sanitation Services Agreement, to provide a framework for the provision of the integrated sanitation services for other locations within the Group's retail network, and to set annual caps for the two financial years ending 31 December 2025. Pursuant to the Integrated Sanitation Services Framework Agreement, Huayu Environmental or its subsidiaries shall provide integrated sanitation services for the spaces and settings owned or used by the Group's stores or buildings (including but not limited to Qinhuangdao Maoye Complex). Under the Integrated Sanitation Services Framework Agreement, members of the Group will enter into separate integrated sanitation services agreements with Huayu Environmental or its subsidiaries, to set out the specific terms and conditions in respect of the provision of integrated sanitation services by Huayu Environmental or its subsidiaries.

PRINCIPAL TERMS OF THE INTEGRATED SANITATION SERVICES FRAMEWORK AGREEMENT

- Parties:** (1) The Company (for itself and on behalf of its subsidiaries); and
(2) Huayu Environmental (for itself and on behalf of its subsidiaries).
- Term:** From 26 April 2024 to 31 December 2025 (both days inclusive)
- Principal terms:** Huayu Environmental or its subsidiaries shall provide integrated sanitation services to the Group. Members of the Group will enter into separate agreements with Huayu Environmental or its subsidiaries, to set out the specific terms and conditions in respect of the provision of integrated sanitation services by Huayu Environmental or its subsidiaries.
- Pricing Policy:** Pricing shall be negotiated on an arm's length basis, with reference to the following:
- (1) the content and standards of integrated sanitation services to be provided;

(2) the market prices for similar sanitation services, which shall be determined through obtaining quotations from independent third-party service providers on the open market;

(3) the technology involved in the integrated sanitation services; and

(4) the relevant industry standards and laws and regulations on the provision of sanitation services.

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 term: Payments shall be made in accordance with the terms of the separate integrated sanitation services agreements to be entered into between members of the Group on the one hand, and Huayu Environmental or its subsidiaries on the other hand.

Relationship with the Existing Integrated Sanitation Services Agreement: With effect from 26 April 2024, the parties agreed that the Existing Integrated Sanitation Services Agreement and the transactions contemplated thereunder shall be subject to the Integrated Sanitation Services Framework Agreement, and the annual caps of the Existing Integrated Sanitation Services Agreement have been incorporated into the annual caps of the Integrated Sanitation Services Framework Agreement.

The amounts payable under the Integrated Sanitation Services Framework Agreement are expected to be financed by the internal resources of the Group.

PROPOSED ANNUAL CAPS AND BASIS

The annual caps under the Existing Integrated Sanitation Services Agreement amounted to approximately RMB2.2 million for each of the three financial years ending 31 December 2025. The proposed annual caps by the Board in respect of the Integrated Sanitation Services Framework Agreement (which incorporate the annual caps for the Existing Integrated Sanitation Services Agreement) during the following periods are set out below:

	For the year ending 31 December 2024 <i>(RMB million)</i>	For the year ending 31 December 2025 <i>(RMB million)</i>
Integrated Sanitation Services Framework Agreement	17.0	17.0

In arriving at the above annual caps, the Board has considered the following factors: (1) the content and standards of integrated sanitation services to be provided; (2) the market prices for similar

sanitation services; (3) prices charged for the services provided under the Existing Integrated Sanitation Services Agreement; (4) the technology involved in the integrated sanitation services; (5) the relevant industry standards and laws and regulations on the provision of sanitation services; (6) the operating conditions of the Group's stores and buildings; and (7) the estimated demand for integrated sanitation services by the Group and its members.

REASONS AND BENEFITS FOR THE TRANSACTIONS

Huayu Environmental is a professional cleaning service company with the appropriate qualifications, offering advanced, modern and scientific property cleaning and sanitation services. The Group has seen positive results in its cooperation with Huayu Environmental under the Existing Integrated Sanitation Services Agreement. The integrated sanitation services provided under the Integrated Sanitation Services Agreement are in line with the Group's principal business and actual development needs. As such, the Directors (including the independent non-executive Directors) are of the view that the terms of the Integrated Sanitation Services Framework Agreement, the transactions contemplated thereunder (including the transactions contemplated under the Existing Integrated Sanitation Services Agreement) and the proposed annual caps of the Integrated Sanitation Services Framework Agreement (which incorporate the annual caps for the Existing Integrated Sanitation Services Agreement) 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 has any material interest in the transactions and none of them has abstained from voting on the board resolution approving the transactions.

INFORMATION OF THE PARTIES

The Company

The Company is principally engaged in the operation and management of department stores and shopping centers, 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 centers, mainly in the most economically developed regions and regions with high economic growth in the PRC.

Huayu Environmental

Huayu Environmental is a company incorporated in China and is indirectly controlled by Ms. Lv Xiaoqing, a director of a subsidiary of the Company. Huayu Environmental engages and specializes in providing cleaning and sanitation services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Huayu Environmental is indirectly controlled by Ms. Lv Xiaoqing, a director of Maoye Commercial Co., Ltd., which is a subsidiary of the Company. Therefore, Huayu Environmental is a connected person of the Company under Chapter 14A of the

Listing Rules, and both the Existing Integrated Sanitation Services Agreement and the Integrated Sanitation Services Framework Agreement, and the transactions contemplated thereunder, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the largest annual cap of the Existing Integrated Sanitation Services Agreement (being approximately RMB2.2 million) were all less than 1%, pursuant to Rule 14A.76(1) of the Listing Rules, the Existing Integrated Sanitation Services Agreement and the transactions contemplated thereunder constituted de minimis transactions and as such, were fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

As the relevant percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules in respect of the largest annual cap of the Integrated Sanitation Services Framework Agreement (which incorporates the annual caps for the Existing Integrated Sanitation Services Agreement) are all less than 5%, the Integrated Sanitation Services Framework Agreement and the transactions contemplated thereunder (including the transactions contemplated under the Existing Integrated Sanitation Services Agreement) 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.

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 person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Existing Integrated Sanitation Services Agreement”	the integrated sanitation services agreement entered into between the Qinhuangdao Maoye Real Estate Development Co. and Huayu Environmental, pursuant to which Huayu Environmental shall provide integrated sanitation services for Qinhuangdao Maoye Complex, a shopping centre within the Group's retail network;

“Group”	the Company and its subsidiaries updated from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huayu Environmental ”	Huayu (Shenzhen) Environmental Services Co., Ltd., a company incorporated in China with limited liability and indirectly controlled by Ms Lv Xiaoqing;
“Integrated Sanitation Services Framework Agreement”	the integrated sanitations Services framework agreement to be entered into between the Company (for itself and on behalf of its subsidiaries) and Huayu Environmental (for itself and on behalf of its subsidiaries);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Ms . Lv Xiaoqing”	Ms. Lv Xiaoqing, a director of a subsidiary 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\$0.10 each in the share capital of the Company;
“Shareholder(s)”	the shareholders of the Company; 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, 26 April 2024

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.