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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)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement (the “**Announcements**”) of Maoye International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated (i) 28 December 2018 in relation to the entering into of the New Leasing Framework Agreement between the Company and Maoye Holdings Limited, pursuant to which the Group agreed to lease the Premises for office use and operational use from the Controlling Shareholder Group; (ii) 14 March 2019 in relation to the entering into of the Supplemental Agreement to the New Leasing Framework Agreement between the Company and Maoye Holdings Limited in relation to the New Term of the lease of the Premises and the Proposed Cap during the New Term (the “**Supplemental Agreement Announcement**”); and (iii) 29 May 2019 in relation to the entering into of the Second Supplemental Agreement to the New Leasing Framework Agreement between the Company and Maoye Holdings Limited in relation to the New Term of the lease of the Premises and the cap during the New Term. Terms used in this announcement shall have the same meaning as defined in the Announcements unless otherwise stated.

As disclosed in the Supplemental Agreement Announcement, on 14 March 2019, the Company entered into the Supplemental Agreement to the New Leasing Framework Agreement with Maoye Holdings Limited to, among others, amend the duration of the New Leasing Framework Agreement. The transactions under the New Leasing Framework Agreement were disclosed as continuing connected transactions under Chapter 14A of the Listing Rules.

The International Financial Reporting Standards applicable to the Group include the International Financial Reporting Standard 16 Leases (“**IFRS 16**”) which came into effect on 1 January 2019. Pursuant to IFRS 16, entering into of the underlying sub-agreements concerning the Premises covered by the New Leasing Framework Agreement as a lessee will require the Group to recognise its right of use of the Premise as the right-of-use assets of approximately RMB1,466.9 million which were initially measured at the present value of the remaining lease payments of approximately RMB1,310.7 million and adjusted by the amount of prepaid relating to the lease recognised in the statement of financial position immediately before the commencement date of approximately RMB156.2 million, thus the entering into the New Leasing Framework Agreement and the transactions contemplated thereunder will be regarded as an acquisition of a capital asset by the Group. As certain applicable size test ratios in respect of the right-of-use assets of the lease covering the Premises under the New Leasing Framework Agreement exceed 25% and are less than 100%, the New Leasing Framework Agreement and the transactions contemplated thereunder

constitute a major transaction for the Company and are subject to the reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Board wishes to announce that the transactions under the New Leasing Framework Agreement should be classified as connected transactions of the Company instead of continuing connected transactions of the Company under the application of IFRS 16.

Save for the information stated above, all the information in the Supplemental Agreement Announcement remains unchanged.

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

Hong Kong, 23 August 2019

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Huang Mao Ru, Mr. Zhong Pengyi and Mr. Liu Bo; one non-executive director, namely Mr. Wang Bin; and three independent non-executive directors, namely, Mr. Chow Chan Lum, Mr. Pao Ping Wing and Mr. Leung Hon Chuen.