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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)

**DISCLOSEABLE TRANSACTIONS IN RELATION TO
THE COOPERATION AGREEMENT**

COOPERATION AGREEMENT

The Board announces that on 22 January 2020, Maoye Commercial (a non-wholly owned subsidiary of the Company) and Baotou Maoye (a non-wholly owned subsidiary of the Company) entered into the Cooperation Agreement with Baotou Donghe District Government and Baotou City Infrastructure Investment Company regarding the demolition of buildings in the sites under the Donghe Project. Pursuant to the Cooperation Agreement, Baotou Maoye intends to invest in the Donghe Project with an investment amount of approximately RMB1,200 million (including all development costs such as land and construction). In view of the fact that some of the buildings in the sites under the Donghe Project have not been demolished, in order to effectively promote the implementation of the demolition work and accelerate the progress of the Donghe Project, Maoye Commercial and Baotou Maoye agreed to advance the total demolition costs for the Donghe Project in an estimated amount of RMB393 million. After the successful bidding for the Donghe Project by Baotou Maoye, the Baotou Land Reserve Center will repay the relocation costs to Baotou Maoye in accordance with relevant regulations. As the timing for the bidding for the Donghe Project by the Baotou Land Reserve Center has not been confirmed, it is uncertain when Baotou Maoye will participate in the bidding.

As at the date of this announcement, the Group has not enter into any further agreements on the Donghe Project. Further announcement(s) in respect of the Donghe Project will be made by the Company if the Company enters into further agreement(s) in this respect. If the Company enters into any further agreement(s) on the Donghe Project and the relevant transaction constitutes a major transaction or more under Chapter 14 of the Listing Rules, the Company shall comply with the requirements of the relevant Listing Rules.

IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the

Cooperation Agreement exceed 5% but are less than 25%, the entering into of the Cooperation Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules, but is exempted from the shareholders' approval requirement under Chapter 14 of the Listing Rule.

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Details of the terms of the Cooperation Agreement are set out below:

Date:	22 January 2020
Parties:	(i) Baotou Donghe District Government (ii) Baotou City Infrastructure Investment Company (iii) Baotou Maoye (iv) Maoye Commercial
Relocation:	Baotou Maoye intends to invest in the Donghe Project with a total land area of approximately 35 acres and an estimated total investment of approximately RMB1,200 million.

	In view of the demolition work involved in the Donghe Project, the Baotou Donghe District Government entrusted Baotou City Infrastructure Investment Company to carry out the demolition of the buildings involved. To effectively promote the implementation of the demolition work and accelerate as the progress of the Donghe Project, Maoye Commercial and Baotou Maoye agreed to advance the total demolition costs for the Donghe Project to Baotou City Infrastructure Investment Company in an estimated amount of RMB393 million, which will only be used for the demolition of the buildings involved in the Donghe Project, including compensation, liquidated damages and other costs incurred during the demolition. The above expenses will be handled by Baotou Maoye and Maoye Commercial. Baotou Donghe District Government and Baotou City Infrastructure Investment Company and related departments shall not bear any additional costs (including but not limited to the agreements signed before or after the commencement of the demolition for the Donghe Project).
Term:	After the Baotou City Land Reserve Center has completed the acquisition of the land involved in the Donghe Project and announced the bidding, Baotou Maoye will participate in the bidding according to the Cooperation Agreement. After Baotou Maoye won the bid, sign the confirmation of transaction at Baotou City Land Reserve Center and pay the land transfer fee, Baotou Donghe District Government will coordinate with the Baotou Land Reserve Center to repay Baotou Maoye the demolition costs in accordance with relevant regulations Baotou Maoye within 30 working days.
Sources of funds for fulfilling investments:	Any payment obligations of Baotou Maoye and/or Maoye Commercial arising from the Cooperation Agreement will be satisfied by internal resources of the Group.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Baotou Donghe District Government and Baotou City Infrastructure Investment Company and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF COOPERATION

The Donghe Project is a key investment attraction project and a major investment and construction project in Donghe District, Baotou City. The Board believes that the provision of advancement for the Donghe Project by Baotou Maoye and Maoye Commercial to the Baotou Donghe District Government and Baotou Urban Infrastructure Investment Company will facilitate the demolition of the properties in the sites under the Donghe Project and accelerate the progress of the Donghe Project.

The Board is also of the view that the Cooperation Agreement is in compliance with relevant laws and regulations in the PRC. The Directors (including the independent non-executive Directors) consider that the terms of the Cooperation Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

INFOMRATION ON THE PARTIES

Baotou Donghe District Government

Donghe District People's Government of Baotou is the working department of the People's Government of Donghe District, Baotou, Inner Mongolia.

Baotou City Infrastructure Investment Company

Baotou Donghe District Urban Infrastructure Investment Development Co., Ltd. is mainly engaged in the comprehensive development and construction of urban and rural municipal infrastructure.

Maoye Commercial

Maoye Commercial is a joint stock company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600828) and a non-wholly owned subsidiary of the Company. Maoye Commercial is principally engaged in the operation of department stores.

Baotou Maoye

Baotou Maoye Real Estate Co., Ltd. is a wholly-owned subsidiary of Maoye Commercial and is mainly engaged in real estate development and other businesses.

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.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Cooperation Agreement exceed 5% but are less than 25%, the entering into of the Cooperation Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules, but is exempted from the shareholders' approval requirement under Chapter 14 of the Listing Rule.

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
"Baotou City Infrastructure Investment Company"	Baotou Donghe District Urban Infrastructure Investment Development Co., Ltd.
"Baotou Donghe District Government"	Donghe District People's Government of Baotou
"Baotou Maoye"	Baotou Maoye Real Estate Co., Ltd., a limited liability company established in China, a non-wholly owned subsidiary of the Company
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Cooperation Agreement"	the cooperation agreement entered into between Baotou Maoye, Maoye Commercial, Baotou Donghe District Government and Baotou City Infrastructure Investment Company on 22 January 2020
"Director(s)"	the director(s) of the Company
"Donghe Project"	the Commercial Complex Development Project in Donghe District, Baotou City, Inner Mongolia (to be renamed as "Baotou Maoye Center Project")
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"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), a joint stock limited company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600828) and a non-wholly owned subsidiary of the Company
"PRC"	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
"Shareholder(s)"	the shareholders of the Company
"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, 23 January 2020

As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Huang Mao Ru and Mr. Zhong Pengyi; 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.