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## **Regina Miracle International (Holdings) Limited**

**維珍妮國際(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2199)**

### **CONTINUING CONNECTED TRANSACTION PROPERTY LEASING AGREEMENT**

On 24 March 2017, Shun Cheong entered into the Property Leasing Agreement with RMIA Shenzhen, an indirectly wholly-owned subsidiary of the Company, pursuant to which Shun Cheong agreed to lease to RMIA Shenzhen the Premises for a term of three years commencing from 1 April 2017 to 31 March 2020 at a monthly rent of RMB1,261,920 (equivalent to approximately HK\$1,418,020).

#### **LISTING RULES IMPLICATIONS**

As Shun Cheong is indirectly wholly-owned by Mr. Hung, an executive Director, Shun Cheong is a connected person of the Company. Accordingly, the entering into of the Property Leasing Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As such, Mr. Hung has abstained from voting on the board resolution of the Company to approve the Property Leasing Agreement and the transaction contemplated thereunder.

Since each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps under the Property Leasing Agreement is, above 0.1% but below 5%, the transaction contemplated under the Property Leasing Agreement is subject to the reporting, annual review and announcement requirements but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## THE PROPERTY LEASING AGREEMENT

Principal terms of the Property Leasing Agreement are set out as follows:

- Date:** 24 March 2017
- Parties:** (i) Shun Cheong, as landlord  
(ii) RMIA Shenzhen, as tenant
- Premises:** Building located at Redstar Community, Gongming Subdistrict Office of Shenzhen Guangming District, Shenzhen, PRC, with a gross floor area of approximately 63,000 square meters.
- Principal use:** the Premises shall be used by RMIA Shenzhen for research and development or manufacturing purposes or as staff accommodation and related facilities. The principal use of the Premises shall not be changed without Shun Cheong's written consent.
- Term:** Three years commencing from 1 April 2017 to 31 March 2020 (both days inclusive). RMIA Shenzhen may terminate the agreement before the expiry of its term by giving a six months' notice to Shun Cheong. RMIA Shenzhen may by giving Shun Cheong a three months' notice before the expiry of the agreement, request for the renewal of the lease. Shun Cheong and RMIA Shenzhen shall enter into a renewal property leasing agreement for such renewal.
- Rent:** RMB1,261,920 per month (equivalent to approximately HK\$1,418,020) and exclusive of utility charges, payable on a monthly basis.
- Rental deposit:** RMB1,261,920 (equivalent to approximately HK\$1,418,020) which is equivalent to the amount of one month's rental fee.

### ANNUAL CAPS

The maximum annual aggregate amounts payable (the "**Annual Caps**") by RMIA Shenzhen to Shun Cheong under the Property Leasing Agreement for each of the years ending 31 March 2020 is RMB15,143,040 (equivalent to approximately HK\$17,016,240).

The rent and the Annual Caps were determined after taking into account (i) the market rent of the Premises according to a fair rent letter issued by the Valuer; and (ii) various conditions of the Premises, including but not limited to the location of the Premises as well as the management services associated with the Premises. The Valuer assessed the market rent of the Premises, based on the prevailing market conditions and the rental level of similar properties in the vicinity.

## **REASONS FOR THE TRANSACTION**

The purpose of entering into the Property Leasing Agreement is to facilitate the Group to expand its current business operations in Shenzhen, PRC, especially focusing on the expansion of the Company's research and development capacities in order to continue producing premium products that feature the latest innovations. The Board considers that the Premises, being located within the proximity of the existing production facilities of RMIA Shenzhen, would be the most suitable premises for RMIA Shenzhen to expand its business operations.

The terms of the Property Leasing Agreement were determined after arm's length negotiation between Shun Cheong and RMIA Shenzhen with reference to the prevailing market rent and conditions. The Directors (including the independent non-executive Directors but excluding Mr. Hung) consider that the Property Leasing Agreement was entered into in the ordinary and usual course of business of the Group on normal commercial terms.

The Directors (including the independent non-executive Directors but excluding Mr. Hung) are of the opinion that the terms of the Property Leasing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GENERAL INFORMATION**

Shun Cheong is an investment holding company. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the entire issued share capital of Shun Cheong is indirectly wholly-owned by Mr. Hung.

The Group is principally engaged in the design and manufacturing of a wide range of intimate wear and functional sports products. RMIA Shenzhen, an indirectly wholly-owned subsidiary of the Company, is principally engaged in the design and manufacturing of bras, panties and sports products.

## **LISTING RULES IMPLICATION**

As Shun Cheong is indirectly wholly-owned by Mr. Hung, an executive Director, Shun Cheong is a connected person of the Company. Accordingly, the entering into of the Property Leasing Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules. As such, Mr. Hung has abstained from voting on the board resolution of the Company to approve the Property Leasing Agreement and the transaction contemplated thereunder.

Since each of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps under the Property Leasing Agreement is, above 0.1% but below 5%, the transaction contemplated under the Property Leasing Agreement is subject to the reporting, annual review and announcement requirements but is exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Regina Miracle International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, 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
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Hung”	Mr. Hung Yau Lit (also known as YY Hung), the chairman, chief executive officer, executive director and controlling shareholder of the Company
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Premises”	Building located at Redstar Community, Gongming Subdistrict Office of Shenzhen Guangming District, Shenzhen, PRC
“Property Lease Agreement”	the property leasing agreement dated 24 March 2017 entered into between Shun Cheong and RMIA Shenzhen in respect of the Premises
“RMB”	Renminbi, the lawful currency of the PRC
“RMIA Shenzhen”	Regina Miracle Intimate Apparel (Shenzhen) Co., Ltd. (麗晶維珍妮內衣(深圳)有限公司), a company incorporated under the laws of the PRC and an indirectly wholly-owned subsidiary of the Company

“Share(s)”	ordinary shares of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shun Cheong”	Red Star Shun Cheong Shoulder Pad Factory (Shenzhen) Limited (紅星信昌膊棉廠(深圳)有限公司), a company incorporated under the laws of the PRC and indirect wholly-owned by Mr. Hung
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Valuer”	Savills Valuation and Professional Services Limited, an independent property valuer
“%”	per cent.

*For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of RMB1 to HK\$1.1237. This exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be exchange at this or any other rate at all.*

By Order of the Board  
**Regina Miracle International (Holdings) Limited**  
**Yiu Kar Chun Antony**  
*Executive Director*

Hong Kong, 24 March 2017

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Hung Yau Lit (also known as YY Hung), Mr. Yiu Kar Chun Antony, Mr. Liu Zhenqiang, Mr. Chen Zhiping and Ms. Sze Shui Ling as executive Directors, and Dr. Or Ching Fai, Mrs. To Wong Wing Yue Annie and Ms. Tam Laiman as independent non-executive Directors.*