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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 RENEWAL OF FLOAT SALES AGREEMENT**

The Board announces that on 30 March 2023, the Company and Float agreed to enter into a new sales agreement (the “**2023 Float Sales Agreement**”) in view of the 2020 Float Sales Agreement shall expire on 31 March 2023. The 2023 Float Sales Agreement shall be effective on 1 April 2023, pursuant to which the Company agreed to supply and procure its subsidiaries to supply to Float intimate wear products, sportswear products and pandemic prevention products for a term of three years expiring on 31 March 2026.

Since Float is wholly-owned by Ms. Hung Cheuk Man, daughter of Mr. Hung Yau Lit, Float is a connected person of the Company. Accordingly, the transactions contemplated under the 2023 Float Sales Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since all the relevant applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the 2023 Float Sales Agreement are expected to be, on an annual basis, more than 0.1% but less than 5%, the transactions are exempt pursuant to Rule 14A.76(2) of the Listing Rules from the circular (including independent financial advice) and independent shareholders’ approval requirements but are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

## THE 2023 FLOAT SALES AGREEMENT

Principal terms of the 2023 Float Sales Agreement are set out as follows:

**Date:** 30 March 2023

**Parties:** (i) the Company, as the supplier; and  
(ii) Float, as the purchaser

**Principal terms:** The Company entered into the 2023 Float Sales Agreement with Float on 30 March 2023, pursuant to which the Company agreed to supply and procure its subsidiaries to supply to Float intimate wear products, sportswear products and pandemic prevention products for a term of three years commencing on 1 April 2023 and ending on 31 March 2026. The parties to the agreement may negotiate to extend the agreement for a further term of three years within two months before the expiry of the three-year term of the agreement.

**Pricing policy:** The price of the sales of intimate wear products, sportswear products and pandemic prevention products by the Company to Float shall be determined on an arm's length basis with reference to (1) the cost of production and the expected gross profit margin, (2) the average selling price of the products of comparable nature and scale and accepted by an independent third party in the twelve-month period prior to the relevant transaction, (3) where there is no such average selling price available, any most recent available sale price of products of comparable nature and scale offered by the Group and accepted by an independent third party with reference to the latest available market data, and (4) the prevailing market price for the sale of products of comparable nature and scale, which should be in any event no less favorable to the Group than is available to independent third parties.

## HISTORICAL TRANSACTION AMOUNTS AND ANNUAL CAPS

### Historical figures

The historical transaction amounts of the sales by the Group to Float for the years ended 31 March 2021, 2022 and 2023 are set out below:

	History Transaction Amount for the years ended 31 March (in HK\$ thousand)		
	2021	2022	2023 (unaudited)
Total Revenue	498	1,883	2,824

## Annual Caps

The maximum aggregate annual amount of the sales by the Group to Float for the years ending 31 March 2024, 2025 and 2026 shall not exceed the caps set out below:

	<b>Proposed Annual Caps for the years ended 31 March (in HK\$ thousand)</b>		
	<b>2024</b>	<b>2025</b>	<b>2026</b>
Total Revenue	20,000	25,000	30,000

## Basis of Proposed Annual Caps

In determining the above annual caps, the Directors have considered (1) the historical transactions amount for the sales by the Group to Float, (2) the prevailing market prices of intimate wear products, sportswear products and pandemic prevention products of comparable nature and scale, and (3) the Group's anticipated demand for intimate wear products, sportswear products and pandemic prevention products of Float and under the assumption that (1) Float will gradually increase its channels for trading in the three years ending 31 March 2026 as Float is anticipating sales growth as the sales business is expected to resume and grow after recovery from the pandemic, (2) there will not be any material fluctuation in the market supply and demand of the relevant intimate wear products, sportswear products and pandemic prevention products in the three years ending 31 March 2026; and there will not be any material fluctuation in market price of the relevant products in the three years ending 31 March 2026.

## REASONS FOR THE TRANSACTION

The Directors (including the independent non-executive Directors) are of the view that the terms of the 2023 Float Sales Agreement have been negotiated at arm's length on fair and reasonable commercial terms, and the transactions contemplated thereunder will broaden the Group's customer and revenue base in Asia, which is in the interests of the Company and the shareholders of the Company as a whole.

## LISTING RULES IMPLICATION

Since all the relevant applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the 2023 Float Sales Agreement are expected to be, on an annual basis, more than 0.1% but less than 5%, the transactions are exempt pursuant to Rule 14A.76(2) of the Listing Rules from the circular (including independent financial advice) and independent shareholders' approval requirements but are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

None of the Directors has any material interest in the continuing connected transactions contemplated under the 2023 Float Sales Agreement and is required to abstain from voting on the board resolutions approving the transactions thereunder. However, for good corporate governance, Mr. Hung Yau Lit, being an immediate family member of Ms. Hung Cheuk Man, has voluntarily abstained from voting on the board resolutions in respect of the 2023 Float Sales Agreement and the proposed annual caps.

The Directors (including the independent non-executive Directors but excluding Mr. Hung Yau Lit) have reviewed and approved the 2023 Float Sales Agreement.

## **GENERAL INFORMATION**

Float is a limited liability company incorporated in Hong Kong and is principally engaged in trading and retailing of intimate wear, sportswear and sports shoe products in Hong Kong. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Float is wholly-owned by Ms. Hung Cheuk Man, daughter of Mr. Hung Yau Lit and Float is hence a connected person of the Company.

The Group is principally engaged in the design and manufacturing of a wide range of intimate wear and functional sports products.

## **DEFINITION**

“Board”	the board of Directors of the Company
“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 of Hong Kong Limited
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Float”	Float Limited is a limited company incorporated in Hong Kong and it is wholly-owned by Ms. Hung Cheuk Man
“Group”	the Company and its subsidiaries
“Hong Kong Dollar” or “HK\$”	the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Mr. Hung Yau Lit”	also known as Mr. YY Hung, the chairman of the Board, chief executive officer, an executive Director and controlling shareholder of the Company
“Ms. Hung Cheuk Man”	Mr. Hung Yau Lit’s daughter
“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
“2020 Float Sales Agreement”	the sales agreement dated 27 March 2020 entered into between the Company and Float
“2023 Float Sales Agreement”	the sales agreement dated 30 March 2023 entered into between the Company and Float
“%”	per cent

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

Hong Kong, 30 March 2023

*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.*