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## **EEKA Fashion Holdings Limited**

**贏家時尚控股有限公司**

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

**(Stock Code: 3709)**

### **VOLUNTARY ANNOUNCEMENT RESOLVING OF HIGH SHAREHOLDING CONCENTRATION**

This voluntary announcement is made by the Company to inform its Shareholders and potential investors on the shareholding structure of the Company as at 28 May 2021. This announcement is made in response to the SFC Announcement dated 16 December 2020 regarding the then high concentration of shareholding in the Company as at 20 November 2020.

Based on an analysis of the shareholding structure of the Company and the information available as at 28 May 2021, the Board is satisfied that (i) the shareholding concentration condition as at 20 November 2020 as may have been alluded to in the SFC Announcement has not persisted; and (ii) there has been no concentration of its shareholding in the hands of a limited number of Shareholders as at 28 May 2021. The Board believes that the Company has complied with all the conditions for high shareholding concentration companies to regain eligibility for inclusion in Hang Seng Family of Indexes and is taking steps to seek re-inclusion in such index as soon as possible.

This is a voluntary announcement made by EEKA Fashion Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to inform its shareholders (the “**Shareholders**”) and potential investors of the shareholding structure of the Company as at 28 May 2021.

This announcement is made in response to the shareholding concentration announcement issued in respect of the Company by the Securities and Futures Commission (the “**SFC Announcement**”) dated 16 December 2020 regarding the then high concentration of shareholding in the Company as at 20 November 2020.

#### **BACKGROUND**

According to the SFC Announcement, as at 20 November 2020, a group of 18 Shareholders held an aggregate of 157,060,624 shares of the Company (the “**Shares**”), representing 22.93% of the then issued share capital of the Company. Such shareholding, together with an aggregate of 478,428,195 Shares (representing 69.84% of the then issued Shares) held by the two substantial Shareholders, represented 92.77% of the then issued share capital of the Company as at 20 November 2020.

**The board (the “Board”) of directors (the “Directors”) of the Company wishes to emphasise that the information disclosed in the SFC Announcement only reflected the Company’s shareholding structure as at 20 November 2020.** The information disclosed in the SFC Announcement does not reflect the status of the Company’s most up-to-date shareholding structure.

## **UPDATE ON THE INFORMATION PERTINENT TO ASSESSING THE COMPANY’S SHAREHOLDING CONCENTRATION CONDITION**

### **The Board’s own inquiries**

To enhance greater transparency on the Company’s shareholding structure, the Board has conducted inquiries into the Company’s shareholding structure (the “**Inquiries**”). To the best of the Board’s knowledge and based on the results of the Inquiries, the Company’s shareholding structure as at 28 May 2021 was as follows:

	<b>Number of Shares held (Shares)</b>	<b>% of number of issued Shares (%)</b>
Korador Investments Limited ( <i>Note 1</i> )	279,715,000	39.73%
Apex Noble Holdings Limited ( <i>Note 2</i> )	198,713,195	28.22%
Alpha Cosmo Holdings Limited ( <i>Note 3</i> )	15,489,276	2.20%
He Hongmei, an executive Director	343,182	0.05%
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Subtotal	494,260,653	70.20%
A group of 40 corporate Shareholders who held 300,000 Shares or more	74,980,578	10.65%
A group of 69 individual Shareholders who held 100,000 Shares or more	74,793,666	10.62%
A group of 11 institutional Shareholders who held 20,000 Shares or more	2,115,654	0.30%
Other Shareholders	57,899,644	8.23%
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Total	<u>704,050,195</u>	<u>100%</u>

*Note 1:* The entire issued share capital of Korador Investments Limited is wholly-owned by Mayberry Marketing Limited, which is in turn wholly-owned by BOS Trustee Limited as trustee of the Fiona Trust. The Fiona Trust is a discretionary trust set up by Mr. Jin Ming as settlor. The beneficiaries of Fiona Trust are Mr. Jin Ming, his spouse and his children. Mr. Jin Ming as founder of Fiona Trust is taken to be interested in 279,715,000 Shares held by Korador Investments Limited by virtue of Part XV of the Securities and Futures Ordinance (the “SFO”).

*Note 2:* The entire issued share capital of Apex Noble Holdings Limited is wholly-owned by Heritage Holdings Limited, which is in turn wholly-owned by BOS Trustee Limited as trustee of Jin's Heritage Trust. Jin's Heritage Trust is a discretionary trust set up by Mr. Jin Rui as settlor. The beneficiaries of Jin's Heritage Trust are Mr. Jin Rui, his spouse and his children. Mr. Jin Rui as founder of Jin's Heritage Trust is taken to be interested in 198,713,195 Shares held by Apex Noble Holdings Limited by virtue of Part XV of the SFO.

*Note 3:* Alpha Cosmo Holdings Limited is the trustee of the share award scheme adopted by the Company on 2 December 2019.

To further demonstrate the Company's shareholding is no longer concentrated, based on the results of the Inquiries, the Company summarises the percentage of shareholdings held by its top Shareholders as at 28 May 2021:

	<b>Aggregate shareholding percentage as at 28 May 2021</b>
Top 15 Shareholders	85.09%
Top 20 Shareholders	86.88%

As stated in the shareholding structure of the Company above, in addition to the 279,715,000 Shares held by Koradior Investments Limited, 198,713,195 Shares held by Apex Noble Holdings Limited, 15,489,276 Shares held by Alpha Cosmo Holdings Limited and 343,182 Shares held by Ms. He Hongmei, representing approximately 70.20% of the entire issued share capital of the Company in aggregate, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at 28 May 2021, approximately 21.57% of the Shares were held by over 120 identified Shareholders (including 69 individual Shareholders, 40 corporate Shareholders and 11 institutional Shareholders, each holding 20,000 Shares or more) and approximately 8.23% of the remaining issued share capital were held by other Shareholders.

The results of the Inquiries also revealed that, as at 28 May 2021, the shareholding structure of the Company was geographically diversified across Hong Kong, the People's Republic of China, the United States of America, the United Kingdom, Canada and Singapore.

## **Actions taken by the Company to address the high concentration of its shareholding**

The Company has been actively taking steps to resolve the Company's high concentration of shareholding, a summary of which is as follows:

- (i) As disclosed in the announcement of the Company dated 9 October 2020, the board lot size of the Shares was changed from 1,000 Shares to 500 Shares with effect from 3 November 2020. The reduction in board lot size lowers the threshold for investors to purchase the Shares, thus facilitating the trading and improving the liquidity of the Shares, which enables the Company to attract more investors and therefore broaden the shareholders' base of the Company.
- (ii) As disclosed in the announcement of the Company dated 19 November 2020, the second phase of the Group's omni-channel project has been successfully launched. The successful launch of the second phase of the omni-channel project, combined with the strong terminal management capabilities of the Group's highly direct operation, helps to comprehensively enhance the Group's competitive advantages and increase the company's market share in the mid-to-high-end women's apparel industry.
- (iii) As disclosed in the announcements of the Company dated 30 April 2021 and 11 May 2021, the Company entered into the placing and subscription agreement, pursuant to which 19,000,000 Shares were placed at the placing price of HK\$10.50 per placing share to the placee(s).
- (iv) As disclosed in the announcements of the Company dated 2 December 2019, 20 May 2020 and 27 May 2021 in relation to the share award scheme, which aims to recognize the contributions by certain grantees and to provide them with incentives, the Board has resolved to grant an aggregate of 40,973,000 awarded Shares to be vested in five equal tranches annually, with the second tranche totalling 7,918,200 awarded Shares having been vested on 15 May 2021, further enlarging the Shareholders bases of the Company.

In addition to the above announcements of the Company, the Board notes that, since the Company completed the acquisition of the three domestic high-end ladies-wear brands, the Company has become a leading enterprise in the field of high-end ladies-wear, attracting investors to continuously pay attention to the Company's investment value. The Company has formulated and implemented an investor relations plan, including holding existing Shareholders meetings, investor conference calls and roadshows, increasing international banks/brokers covering the Company's securities, managing relationships, raising the Company's profile amongst the investment and financial community, agencies and institutional analysts and enhancing the Company's communication with public and potential investors through the corporate open day so as to increase its presence in the market, etc. The Board considers that this contributed to the broadening of the Shareholders base, and the shareholding structure of the Company has been diversified, instead of being highly concentrated, as compared to that as at 20 November 2020.

## CONCLUSION

In light of the above, the Company is of the view that the concern over the high shareholding concentration as mentioned in the SFC Announcement has been resolved and the high shareholding concentration of the Company as at 20 November 2020 as stated in the SFC Announcement should not be used as a basis for evaluating the current status of the shareholding structure of the Company.

The Board is satisfied that, based on the results of the Inquiries, (i) the shareholding concentration of the Company as at 20 November 2020 as stated in the SFC Announcement no longer exists as at 28 May 2021; and (ii) there has been no concentration of the shareholdings of the Company in the hands of a limited number of Shareholders.

The Board believes that the Company has complied with all the conditions for a high shareholding concentration company to regain eligibility for inclusion in the Hang Seng Family of Indexes and is taking steps to seek re-inclusion in such index as soon as possible.

By order of the Board  
**EEKA Fashion Holdings Limited**  
**Jin Ming**  
*Chairman*

Hong Kong, 24 June 2021

*As at the date of this announcement, the Board comprises Mr. Jin Ming, Ms. He Hongmei and Mr. Jin Rui as executive Directors; and Mr. Zhong Ming, Mr. Zhou Xiaoyu and Mr. Zhang Guodong as independent non-executive Directors.*