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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 IN RELATION TO RENEWAL OF LE YING SALES AGREEMENT**

#### **2024 LE YING SALES AGREEMENT**

The Board announces that on 25 March 2024, the Company and Le Ying agreed to enter into a new sales agreement (the “**2024 Le Ying Sales Agreement**”) in view of the 2021 Le Ying Sales Agreement shall expire on 31 March 2024. The 2024 Le Ying Sales Agreement shall be effective on 1 April 2024, pursuant to which the Company agreed to supply and procure its subsidiaries to supply to Le Ying Group intimate wear products and sport wear products for a term of three years expiring on 31 March 2027. The Company and Le Ying agreed that the 2024 Le Ying Sales Agreement may be extended for another three years upon negotiation within two months prior to its expiry, unless the agreement is terminated due to the trademark license term expires or due to Le Ying ceases to be a connected person of the Company.

#### **LISTING RULES IMPLICATIONS**

Le Ying is wholly-owned by Mr. Hung, hence an associate of Mr. Hung and a connected person of the Company. Accordingly, transactions contemplated under the 2024 Le Ying Sales Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since one or more of the relevant applicable percentage ratios (as defined under the Rule 14.07 of the Listing Rules) in respect of transactions contemplated under the 2024 Le Ying 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 adviser) and independent shareholders’ approval requirements but are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

## **THE 2024 LE YING SALES AGREEMENT**

Principal terms of the 2024 Le Ying Sales Agreement are set out as follows:

### **Date**

25 March 2024

### **Parties**

- (1) the Company (as the supplier); and
- (2) Le Ying (as the purchaser)

### **Term**

1 April 2024 to 31 March 2027 (both dates inclusive)

### **Principal terms**

The Company supplies and procures its subsidiaries to supply to Le Ying Group intimate wear products and sport wear products.

### **Pricing policy**

All orders placed by Le Ying Group under the 2024 Le Ying Sales Agreement are effected by purchase orders which set out the detailed particulars of products to be ordered, including the model, style and design of products, the quantity, the unit price, payment terms and delivery terms which shall be negotiated and concluded on normal commercial terms and on arm's length basis between the Company and Le Ying Group.

The price of the sales of intimate wear products and sport wear products supplied by the Company to Le Ying Group shall be determined on an arm's length basis with reference to (1) the cost of production and the expected gross profit margin, taking into account factors like complication of work involved, order volume and production period, (2) the average selling price of the products of comparable nature and scale and accepted by an independent third party in the twelve months 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, 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. The key terms of the pricing policy are the same as those disclosed in prospectus and last announcement.

Before determining the rate of the sales price, the Company will review the sales price of relevant comparable products provided to independent third parties, and ensure that the sales price rate for the Le Ying Group will be commensurate with the sales price rate for independent third parties. The Board believes the sales to Le Ying Group will not be prejudicial to the interests of the Company and its minority shareholders considering the Company will rely on arm's length basis and implement the thoughtful pricing policy to determine the price of sales to Le Ying Group.

## HISTORICAL TRANSACTION AMOUNTS AND ANNUAL CAPS

### Historical figures

The historical transaction amounts of the sales supplied by the Group to Le Ying (HK) and its subsidiaries for the years ended 31 March 2022, 2023 and 2024 are set out below:

	<b>Historical Transaction Amount for the years ended 31 March</b> <i>(HK\$'000)</i>		
	<b>2022</b>	<b>2023</b>	<b>2024</b> (unaudited)
Total Revenue	<u>35,365</u>	<u>35,281</u>	<u>35,296</u>

### Annual Caps

The maximum aggregate annual amount of the sales supplied by the Group to Le Ying Group for the years ending 31 March 2025, 2026 and 2027 shall not exceed the caps set out below:

	<b>Proposed Annual Cap for the years ending 31 March</b> <i>(HK\$'000)</i>		
	<b>2025</b>	<b>2026</b>	<b>2027</b>
Total Revenue	<u>60,000</u>	<u>80,000</u>	<u>100,000</u>

### Basis of Proposed Annual Caps

In determining the above annual caps, the Directors have considered (1) the historical transactions amount for the sales supplied by the Group to Le Ying Group, (2) the prevailing market prices of intimate wear products and sport wear products of comparable nature and scale, and (3) the Group's anticipated demand for intimate wear products and sport wear products of Le Ying Group and under the assumption that (1) Le Ying Group will expand its retail business by increasing the number of stores gradually for the three years ending 31 March 2027, as Le Ying is anticipating sales growth as the retail business is expected to resume and grow after recovery from the COVID-19 pandemic; (2) there will not be any material fluctuation in the market supply and demand of the relevant intimate wear products and sport wear products for the three years ending 31 March 2027; and (3) there will not be any material fluctuation in market price of the relevant products for the three years ending 31 March 2027.

## REASONS FOR THE TRANSACTION

We have been manufacturing intimate wear and sport wear products for Le Ying Group's retail businesses in Hong Kong and PRC since 2011. The Directors consider that it is beneficial for the Group to continually supply intimate wear products and sport wear products to Le Ying Group on normal commercial terms, thus broadening our customer and revenue base in Asia.

## LISTING RULES IMPLICATIONS

Since one or more of the relevant applicable percentage ratios (as defined under the Rule 14.07 of the Listing Rules) in respect of transactions contemplated under 2024 Le Ying 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 adviser) and independent shareholders' approval requirements but are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors but excluding Mr. Hung) have reviewed and approved the 2024 Le Ying Sales Agreement.

## GENERAL INFORMATION

Le Ying is a company incorporated in the British Virgin Islands and is engaged in retailing of intimate wear products and sport wear products mainly in Hong Kong and PRC. 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 Le Ying is wholly owned by Mr. Hung.

The Group is principally engaged in the design, manufacturing and trading of bras, intimate wear, bra pads, other molded products and functional sports products.

## DEFINITION

In this announcement, the following terms have the meanings set out below, unless the context requires otherwise:

“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Regina Miracle International (Holdings) Limited (維珍妮國際(控股)有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2199)
“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
“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 PRC
“Le Ying”	Le Ying Trading Limited (樂盈貿易有限公司), a company incorporated in the British Virgin Islands and wholly-owned by Mr. Hung, hence an associate of Mr. Hung and a connected person of the Company
“Le Ying Group”	Le Ying and its subsidiaries
“Le Ying (HK)”	Le Ying Trading (Hong Kong) Limited (樂盈貿易(香港)有限公司), a limited company incorporated in Hong Kong and a wholly-owned subsidiary of Le Ying
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Hung”	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
“PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, references in this announcement to the “PRC” do not apply to Taiwan, Macau Special Administrative Region and Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“2021 Le Ying Sales Agreement”	the sales agreement dated 31 March 2021 entered into between the Company and Le Ying (HK)
“2024 Le Ying Sales Agreement”	the sales agreement dated 25 March 2024 entered into between the Company and Le Ying
“%”	per cent

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

Hong Kong, 25 March 2024

*As at the date of this announcement, the Board 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.*