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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)**

### **CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the long-standing arrangement among the Group and Ganzhou Yingjia and Shenzhen Ifashion in relation to their provision of processing and manufacturing services to the Group, the particulars of which are detailed in the prospectus of the Company dated 17 June 2014 and the announcements of the Company dated 23 November 2016, 30 November 2018 and 28 June 2019.

Following the expiry of the 2019 Agreement on 31 December 2021, the Group has yet to enter into another master agreement with Ganzhou Yingjia and Shenzhen Ifashion to renew the 2019 Agreement and as such, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services were not subject to an annual maximum cap but are subject to the calculation of applicable percentage ratios (as defined under the Listing Rules) and the corresponding reporting and approval requirements.

During the Relevant Period, the Group has placed an aggregate of 600 orders (with the latest one placed on 23 February 2022) with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services with an aggregate amount of processing fees payable by the Group to Ganzhou Yingjia and Shenzhen Ifashion of RMB16,847,947 (equivalent to approximately HK\$20,799,935).

#### **LISTING RULES IMPLICATIONS**

Pursuant to the Rules 14.22 and 14.23 of the Listing Rules, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services during the Relevant Period shall be aggregated as if they were one transaction because they were completed within a 12-month period.

As at the date of this announcement, Ganzhou Yingjia is wholly-owned by Shenzhen Ifashion, which in turn is a direct wholly-owned subsidiary of Yingjia Fashion. Yingjia Fashion is owned as to 53% and 47% respectively by the mother and the father of Mr. Jin Ming, the chairman of the Board, chief executive officer and an executive Director. As such, Ganzhou Yingjia and Shenzhen Ifashion are connected persons of the Company. As a result, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion constitute continuing connected transactions of the Company under the Listing Rules.

Upon aggregation of the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion on 23 February 2022 amounted to RMB12,270,785 (equivalent to approximately HK\$15,149,117) with the previous orders placed during the Relevant Period (the applicable percentage ratios in respect of which were below 0.1%), as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of all the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion during the Relevant Period exceed 0.1% but are less than 5%, the transactions contemplated under the orders constitute continuing connected transactions of the Company and are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **BACKGROUND**

Reference is made to the long-standing arrangement among the Group and Ganzhou Yingjia and Shenzhen Ifashion in relation to their provision of processing and manufacturing services to the Group, the particulars of which are detailed in the prospectus of the Company dated 17 June 2014 and the announcements of the Company dated 23 November 2016, 30 November 2018 and 28 June 2019.

Following the expiry of the 2019 Agreement on 31 December 2021, the Group has yet to enter into another master agreement with Ganzhou Yingjia and Shenzhen Ifashion to renew the 2019 Agreement and as such, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services were not subject to an annual maximum cap but are subject to the calculation of applicable percentage ratios (as defined under the Listing Rules) and the corresponding reporting and approval requirements.

Set out below is a summary of the principal terms of the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion:

<b>Date</b>	From 1 January 2022 to 23 February 2022
<b>Parties</b>	Each order was placed by the Company with either Ganzhou Yingjia or Shenzhen Ifashion, through one of its indirect wholly-owned subsidiaries, namely, Shenzhen Koradior, Shenzhen Naersi, La Kordi, Shenzhen Mondial or Shenzhen Fangfu
<b>Total number of orders placed</b>	600 orders (with the latest one placed on 23 February 2022)

<b>Subject matter</b>	Ganzhou Yingjia and Shenzhen Ifashion have agreed to provide processing and manufacturing services to the Group, including but not limited to provision of certain products according to: (i) the manufacturing standards and processing techniques stipulated by the Group; or (ii) standard samples provided and confirmed by the design team of the Group
<b>Processing fees</b>	The aggregate processing fees payable to Ganzhou Yingjia and Shenzhen Ifashion for the orders are RMB16,847,947 (equivalent to approximately HK\$20,799,935).
<b>Pricing basis</b>	The processing fees payable were determined based on (i) the tag price, being the sales price shown on the price tag label of the relevant product multiplied by the Garment Standard Time, the standard time in garment industry, being the time required by an average skilled operator, working at a normal pace, to perform a specified task using a prescribed method; and (ii) other special processing fees such as nail beads embroidery, packaging fees and nominal one-off subsidy fees.
<b>Payment terms</b>	The processing fees were payable by the Group to Ganzhou Yingjia and Shenzhen Ifashion, via bank transfer upon the presentation of the relevant invoices and in any event not later than 60 days from the date of the respective invoices.

## **REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS**

The production and sale of high-end womenswear is one of the principal activities of the Group. As the Group does not have any in-house production facilities, the Group has, since its commencement of business in 2007, outsourced the production of its products to third party OEM contractors including Yingjia Fashion and its subsidiaries. It has always been the belief of the Company that such strategy would allow the Group to reduce the investments in fixed assets and generate a higher return on assets.

The Group has been collaborating with Ganzhou Yingjia and Shenzhen Ifashion for a long time in this regard. Reference is made to the prospectus of the Company dated 17 June 2014 in relation to the initial public offering of the Shares on the main board of the Stock Exchange in which it was mentioned, among other things, that an agreement was entered into between Shenzhen Korador and Yingjia Fashion for the provision of processing and manufacturing services by Yingjia Fashion to the Group for the three years ended 31 December 2016. Thereafter, the agreement was renewed in 2016 for the three years ended 31 December 2019 (details of which are set out in the announcement of the Company dated 23 November 2016), in 2018 with revised annual caps for the three years ended 31 December 2020 (details of which are set out in the announcement of the Company dated 30 November 2018) and in 2019 with revised annual caps for the three years ended 31 December 2021 (details of which are set out in the announcement of the Company dated 28 June 2019).

Following the expiry of the 2019 Agreement on 31 December 2021, the Group has yet to enter into another master agreement with Ganzhou Yingjia and Shenzhen Ifashion to renew the 2019 Agreement and as such, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services were not subject to an annual maximum cap but are subject to the calculation of applicable percentage ratios (as defined under the Listing Rules) and the corresponding reporting and approval requirements.

In view of the long-standing arrangement and business relationship the Group has with Ganzhou Yingjia and Shenzhen Ifashion and the track record of their proven quality of services and the fact that the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services are on terms similar to those under the previous master agreements, the Directors (including the independent non-executive Directors but excluding Mr. Jin Ming and Mr. Jin Rui who had abstained from voting) consider that the transactions contemplated under the orders placed with Ganzhou Yingjia and Shenzhen Ifashion during the Relevant Period are based on normal commercial terms, in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Group intends to enter into a master agreement with Ganzhou Yingjia and Shenzhen Ifashion, which is expected to cover a term of three years commencing from 1 January 2022 up to and including 31 December 2024 and independent shareholders' approval would be required under Chapter 14A of the Listing Rules. The Company will publish an announcement as soon as possible after entering into the proposed master agreement.

## **INFORMATION ON THE PARTIES**

### **The Group**

The Company is incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange. The principal activities of the Group are design, promotion, marketing and sales of self-owned branded womenswear products in the PRC. During the Relevant Period, the Company has placed the orders with either Ganzhou Yingjia or Shenzhen Ifashion through Shenzhen Koradior, an indirect wholly-owned subsidiary of the Company principally engaged in the design and retail business of the “Koradior”, “La Koradior” and “Koradior elsewhere” apparel brands of the Company; or Shenzhen Naersi, an indirect wholly-owned subsidiary of the Company principally engaged in the design and sale of high-end womenswear products of its self-owned brands, namely “NAERSI”, “NEXY.CO” and “NAERSILING; La Kordi, an indirect wholly-owned subsidiary of the Company principally engaged in the design and sale of high-end womenswear products of its self-owned brands, namely “Koradior”, “La Koradior” and “Koradior elsewhere”; Shenzhen Mondial, an indirect wholly-owned subsidiary of the Company principally engaged in the design and sale of high-end womenswear products of its self-owned brands, namely “CADIDL”; or Shenzhen Fangfu, an indirect wholly-owned subsidiary of the Company principally engaged in the design and sale of cost effective womenswear products of its self-owned brands, namely “FUUNNY FEELLN”.

## **Ganzhou Yingjia and Shenzhen Ifashion**

Ganzhou Yingjia is a company established in the PRC principally engaged in the production and processing of womenswear via its self-operated retail stores and distributors in the PRC. It is wholly-owned by Shenzhen Ifashion, a wholly-owned subsidiary of Yingjia Fashion. Shenzhen Ifashion is a company established in the PRC principally engaged in the production and processing of womenswear via its self-operated retail stores and distributors in the PRC. It is a direct wholly-owned subsidiary of Yingjia Fashion. Both Ganzhou Yingjia and Shenzhen Ifashion provided processing and manufacturing services to the Group under the 2019 Agreement.

### **IMPLICATION UNDER THE LISTING RULES**

Pursuant to the Rules 14.22 and 14.23 of the Listing Rules, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion for their provision of processing and manufacturing services during the Relevant Period shall be aggregated as if they were one transaction because they were completed within a 12-month period.

As at the date of this announcement, Ganzhou Yingjia is wholly-owned by Shenzhen Ifashion, which in turn is a direct wholly-owned subsidiary of Yingjia Fashion. Yingjia Fashion is owned as to 53% and 47% respectively by the mother and the father of Mr. Jin Ming, the chairman of the Board, chief executive officer and an executive Director. As such, Ganzhou Yingjia and Shenzhen Ifashion are connected persons of the Company. As a result, the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion constitute continuing connected transactions of the Company under the Listing Rules.

Upon aggregation of the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion on 23 February 2022 amounted to RMB12,270,785 (equivalent to approximately HK\$15,149,117) with the previous orders placed during the Relevant Period (the applicable percentage ratios in respect of which were below 0.1%), as one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of all the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion during the Relevant Period exceed 0.1% but are less than 5%, the transactions contemplated under the orders constitute continuing connected transactions of the Company and are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Save as disclosed, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as at the date of this announcement, none of the Directors has material interest in the transactions contemplated under the orders placed by the Group with Ganzhou Yingjia and Shenzhen Ifashion during the Relevant Period, save for Mr. Jin Ming and Mr. Jin Rui, who had abstained from voting at the Board meeting to approve the transactions.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following meanings:

“2019 Agreement”	the agreement entered into among Shenzhen Koradior, Ganzhou Yingjia and Shenzhen Ifashion on 28 June 2019 in relation to the provision of processing and manufacturing services by Ganzhou Yingjia and Shenzhen Ifashion to the Group for the three years ended 31 December 2021
“Board”	the board of Directors
“Company”	EEKA Fashion Holdings Limited (贏家時尚控股有限公司), formerly known as Koradior Holdings Limited (珂萊蒂爾控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands and the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 3709)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Ganzhou Yingjia”	Yingjia Fashion (Ganzhou) Co., Ltd.* (贏家時裝(贛州)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Yingjia Fashion
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“La Kordi”	La Kordi Fashion (Shenzhen) Co., Ltd.* (拉珂帝服飾(深圳)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“OEM”	original equipment manufacturing, a business that manufactures products or equipment for branding and resale by others

“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes, Hong Kong, the Macau Special Administrative Region and Taiwan
“Relevant Period”	from 1 January 2022 to 23 February 2022
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Shenzhen Fangfu”	Shenzhen Fangfu Fashion Co., Ltd.* (深圳市方弗時裝有限公司), a company incorporated in the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“Shenzhen Ifashion”	Shenzhen Ifashion Cloud Technology Co., Ltd.* (深圳市贏領智尚科技有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of Yingjia Fashion
“Shenzhen Korador”	Shenzhen Korador Fashion Co., Ltd.* (深圳市珂萊蒂爾服飾有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Shenzhen Mondial”	Shenzhen Mondial Industrial Co., Ltd.* (深圳市蒙黛爾實業有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Shenzhen Naersi”	Shenzhen Naersi Fashion Co., Ltd.* (深圳市娜爾思時裝有限公司), a company incorporated in the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yingjia Fashion”	Shenzhen Yingjia Fashion Co., Ltd.* (深圳市贏家服飾有限公司), a company established in the PRC with limited liability and a connected person of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

*For the purpose of this announcement, unless the context otherwise requires, conversion of RMB into HK\$ is based on an exchange rate of RMB0.81 to HK\$1.00. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in HK\$ or RMB have been, could have been or may be converted at such or any other rate or at all.*

*The English names of Chinese entities marked with “\*” are translations of their Chinese names and are included in this announcement for identification purpose only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.*

By order of the Board  
**EEKA Fashion Holdings Limited**  
**JIN MING**  
*Chairman*

Hong Kong, 24 February 2022

*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.*