

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



YesAsia Holdings Limited

喆麗控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2209)

**DISCLOSEABLE TRANSACTION
IN RESPECT OF ROBOTIC AGREEMENT AND RENOVATION
AGREEMENT FOR AI ROBOTIC WAREHOUSE**

The Board is pleased to announce that on 17 February 2022, the Company entered into the Robotic Agreement with Geek Plus for purchase of equipment and services from Geek Plus for designing, supply and installation of the Automated Warehouse System at Goodman Warehouse. Subsequently on 12 April 2022 (after trading hours), the Company entered into the Renovation Agreement with Geek Plus for the provision of renovation services and works by Geek Plus to the Company to renovate the Goodman Warehouse and to facilitate the implementation of the Automated Warehouse System. Given the time required for the Company and Geek Plus to finalise the terms of the Renovation Agreement and in order to secure the preparatory works of Geek Plus in respect of a working platform (being part of the Renovation Work), the Company entered into the Preliminary Renovation Agreement with Geek Plus on 11 March 2022.

LISTING RULES IMPLICATION

All relevant applicable percentage ratios for the Company as calculated under Rule 14.07 of the Listing Rules in relation to each of the Agreements, on a standalone basis, are less than 5%. Therefore, each of the Agreements on standalone basis does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Agreements are entered into with the same party (i.e. Geek Plus) by the Company within 12 months, the transactions contemplated under the Agreements shall be aggregated and be treated as a single transaction pursuant to Rule 14.22 of the Listing Rules. All relevant applicable percentage ratios as defined under Listing Rules in respect of the Robotic Agreement and Preliminary Renovation Agreement, on an aggregate basis, do not exceed 5%, the transactions contemplated under the Robotic Agreement and the Preliminary Renovation Agreement did not constitute a discloseable transaction of the Company, and were therefore not subject to the notification and announcement requirements and exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Agreements, on an aggregate basis, exceeds 5% but all of them are less than 25%, the transactions contemplated under the Agreements constitute discloseable transactions of the Company, and are therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 17 February 2022, the Company entered into the Robotic Agreement with Geek Plus for purchase of equipment and services from Geek Plus for designing, supply and installation of the Automated Warehouse System at the Goodman Warehouse. Subsequently on 12 April 2022 (after trading hours), the Company entered into the Renovation Agreement with Geek Plus for the provision of renovation services and works by Geek Plus to the Company to renovate the Goodman Warehouse and to facilitate the implementation of the Automated Warehouse System. Given the time required for the Company and Geek Plus to finalise the terms of the Renovation Agreement and in order to secure the preparatory works of Geek Plus in respect of a working platform (being part of the Renovation Work), the Company entered into the Preliminary Renovation Agreement with Geek Plus on 11 March 2022.

THE ROBOTIC AGREEMENT

The principal terms of the Robotic Agreement are summarised as follows:

Date:	17 February 2022
Parties:	(1) The Company; and (2) Geek Plus
Scope of work:	Geek Plus shall deliver the Goods to the Company and complete the installation of the Automated Warehouse System with warranty service for 1 year
Contract price and payment terms:	HK\$15,830,000 (i.e. the Robotic Agreement Price) (exclusive of the HK\$958,800 second year full coverage maintenance fee mentioned below), payable by the Company to Geek Plus in the following manner:

- (1) 30% of the Robotic Agreement Price shall be payable upon execution of the Robotic Agreement;
- (2) 30% of the Robotic Agreement Price shall be payable upon delivery of all the Goods;
- (3) 25% of the Robotic Agreement Price shall be payable upon signing of the certificate of preliminary acceptance by the Company and Geek Plus jointly; and
- (4) 15% of the Robotic Agreement Price shall be payable upon final acceptance of the Automated Warehouse System

The Robotic Agreement Price was and will be financed by internal resources of the Company.

Full coverage maintenance service fee for the second year:

HK\$958,800, payable by the Company upon final acceptance of the Automated Warehouse System, which will be financed by internal resources of the Company.

Completion of work:

The date of handover of the Automated Warehouse System shall be no later than 30 June 2022, unless automatically adjusted if individual dates are postponed, including the beginning of the work to be provided by Geek Plus under the Robotic Agreement, due to the occurrence of a Force Majeure Event (as defined in the Robotic Agreement) or a breach of any terms of the Robotic Agreement on the part of the Company; or otherwise agreed between the Company and Geek Plus in writing

THE RENOVATION AGREEMENT

The principal terms of the Renovation Agreement are summarised as follows:

Date: 12 April 2022

Parties: (1) The Company (as client); and
(2) Geek Plus (as main contractor)

Work: The Company agrees to appoint Geek Plus as main contractor to provide the Renovation Work

Contract price and payment terms: HK\$12,868,380 (i.e. the Renovation Agreement Price), payable by the Company to Geek Plus in the following manner:

- (1) 35% of the Renovation Agreement Price shall be payable upon the signing of the Renovation Agreement;
- (2) 30% of the Renovation Agreement Price shall be payable by 29 April 2022;
- (3) 15% of the Renovation Agreement Price shall be payable by 31 May 2022;
- (4) 15% of the Renovation Agreement Price shall be payable by 15 July 2022 (subject to the completion of Renovation Work); and
- (5) 5% of the Renovation Agreement Price shall be payable upon expiry of the defect liability period (which is 12 months from completion of the Renovation Work)

The Renovation Agreement Price was and will be financed by internal resources of the Company.

Completion of work: No later than 15 August 2022, unless otherwise agreed in writing between the Company and Geek Plus and subject to occurrence of a Force Majeure Event (as defined in the Robotic Agreement)

Given the time required for the Company and Geek Plus to finalise the terms of the Renovation Agreement and in order to secure the preparatory works of Geek Plus in respect of a working platform (being part of the Renovation Work), the Company entered into the Preliminary Renovation Agreement with Geek Plus on 11 March 2022, pursuant to which (i) the Company paid a sum of HK\$1,903,130 as deposit for the said working platform on 11 March 2022, which was financed by internal resources of the Company; and (ii) upon the entering into of the Renovation Agreement, the said deposit shall be applied towards the amount of the First Instalment of Renovation Agreement Price and the Renovation Agreement Price, and the Preliminary Renovation Agreement was voided. Hence, the aggregate consideration of the Agreements amounts to HK\$ 29,657,180.

INFORMATION OF THE GROUP AND GEEK PLUS

The Group is an online retailer headquartered in Hong Kong which engages in the procurement and sale of third-party branded and unbranded Asian fashion & lifestyle, beauty and entertainment products to customers around the world.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, (i) Geek Plus is principally engaged in the development of autonomous mobile robots and provision of warehouse fulfillment robotic solutions; (ii) the ultimate beneficial owners as to approximately 38.53%, 25.73%, 12.87%, 12.87% and 8.5% equity interest of Geek Plus are Zheng Yong (鄭勇), Li Hongbo (李洪波), Chen Xi (陳曦), Liu Kai (劉凱) and Chen Ruilian (陳瑞蓮) respectively and the remaining ultimate beneficial owner is not interested in more than 5% equity interest of Geek Plus; and (iii) Geek Plus and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

To reduce fulfillment labour costs, which are increasing every year due to the tight labour market, the Company has planned to establish AI Robotic Warehouse. As disclosed in the Company's announcement dated 31 January 2022, the Group leased the Goodman Warehouse of approximately 137,525 square feet as the logistics hub and fulfillment centre in Hong Kong for the Group's online retailing and wholesales business and to facilitate the Group's plan to establish AI Robotic Warehouse. The Directors are of the view that it is in the interests of the Group to enter into the Agreements to establish the AI Robotic Warehouse at the Goodman Warehouse so as to save labor costs, enhance efficiency and increase the Group's fulfilment capacity to cope with the future growth of our online businesses. The AI Robotic Warehouse is expected to start operating in the third quarter of 2022.

The terms of the Agreements (including the consideration of each of the Agreements) were reached on arm's length basis with reference to the standard required for and expected quality of the Automated Warehouse System and Renovation Work, the experience and market position of the contractor, the prevailing market price of other available warehouse fulfillment robotic solutions available in the market and the price of other contractor(s) in renovation work(s) previously carried out at various warehouse(s) of the Group.

In view of the above, the Directors (including the independent non-executive Directors) consider that the Agreements and the transactions contemplated thereunder were determined after arm's length negotiations among the parties thereto, are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

All relevant applicable percentage ratios for the Company as calculated under Rule 14.07 of the Listing Rules in relation to each of the Agreements, on a standalone basis, are less than 5%. Therefore, each of the Agreements on standalone basis does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Agreements are entered into with the same party (i.e. Geek Plus) by the Company within 12 months, the transactions contemplated under the Agreements shall be aggregated and be treated as a single transaction pursuant to Rule 14.22 of the Listing Rules. All relevant applicable percentage ratios as defined under Listing Rules in respect of the Robotic Agreement and Preliminary Renovation Agreement, on an aggregate basis, do not exceed 5%, the transactions contemplated under the Robotic Agreement and the Preliminary Renovation Agreement did not constitute a discloseable transaction of the Company, and were therefore not subject to the notification and announcement requirements and exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Agreements, on an aggregate basis, exceeds 5% but all of them are less than 25%, the transactions contemplated under the Agreements constitute a discloseable transaction of the Company, and are therefore subject to the notification and announcement requirements but exempt from the shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agreements”	the Robotic Agreement, the Preliminary Renovation Agreement and the Renovation Agreement
“AI Robotic Warehouse”	smart warehousing with artificial intelligence, robotics, and automation technology
“Automated Warehouse System”	integrated system of hardware and software with the use of automated robotic equipment for warehouse and logistics management to be installed by Geek Plus under the Robotic Agreement
“Board”	the board of Directors
“Company”	YesAsia Holdings Limited (喆麗控股有限公司), a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 2209)
“Director(s)”	director(s) of the Company

“First Instalment of Renovation Agreement Price”	35% of the Renovation Agreement Price being payable upon the signing of the Renovation Agreement
“Geek Plus”	Geek Plus International Company Limited, a company incorporated in Hong Kong with limited liability
“Goodman Warehouse”	the premises at 13th Floor, Goodman Interlink, 39 Tsing Yi Road, Tsing Yi, New Territories, Hong Kong leased by the Group pursuant to the lease agreement entered into between YAL (as tenant) and the Landlord (as landlord) on 31 January 2022
“Goods”	138 robots, 18 working stations, 892 racks and related systems and IT equipment to be delivered by Geek Plus to the Company under the Robotic Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party (ies)”	person(s) or company(ies) which is/are third party(ies) independent of the Company and its connected person(s) (as defined in the Listing Rules)
“Landlord”	Goodman Interlink Limited, a company incorporated in the Cayman Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Preliminary Renovation Agreement”	the agreement and quotation entered into between the Company and Geek Plus on 11 March 2022 in respect of a working platform (being part of the Renovation Work) with the consideration of HK\$3,806,260, pursuant to which (i) HK\$1,903,130 (50% of the said consideration) was paid by the Company as deposit on 11 March 2022, (ii) 15% of the said consideration shall be paid by 15 April 2022, (iii) 15% of the said consideration shall be paid by 15 May 2022 and (iv) 20% of the said consideration shall be paid within 15 days after the completion of installation of the relevant working platform.

“Renovation Agreement”	the renovation framework agreement entered into between the Company (as client) and Geek Plus (as main contractor) on 12 April 2022 for the provision of renovation services and works by Geek Plus to the Company to renovate the Goodman Warehouse and to facilitate the implementation of the Automated Warehouse System
“Renovation Agreement Price”	the consideration of HK\$12,868,380 payable by the Company to Geek Plus for the Renovation Work under the Renovation Agreement
“Renovation Work”	the renovation services and works of the Goodman Warehouse to be provided by Geek Plus under the Renovation Agreement
“Robotic Agreement”	the supply, installation and service agreement entered into between the Company (as purchaser) and Geek Plus (as supplier and service provider) on 17 February 2022 for purchase of equipment and services from Geek Plus for designing, supply and installation of the Automated Warehouse System at the Goodman Warehouse
“Robotic Agreement Price”	the consideration of HK\$15,830,000 payable by the Company to Geek Plus under the Robotic Agreement
“Shareholders”	holders of the shares in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed thereto under the Listing Rules, and “subsidiaries” shall be construed accordingly
“YAL”	YA Logistics Limited (喆麗物流有限公司) (formerly known as “Jet City Limited”), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“%”

per cent

By order of the Board
YESASIA HOLDINGS LIMITED
Ng Sai Cheong
Company Secretary

Hong Kong, 13 April 2022

As of the date of this announcement, the executive Directors are Mr. LAU Kwok Chu, Ms. CHU Lai King, and Ms. WONG Shuet Ha; the non-executive Directors are Mr. HUI Yat Yan Henry, Mr. LUI Pak Shing Michael, and Mr. POON Chi Ho; the independent non-executive Directors are Mr. CHAN Yu Cheong, Mr. SIN Pak Cheong Philip Charles, and Mr. WONG Chee Chung.