# TEXWINCA HOLDINGS LIMITED
# 德永佳集團有限公司*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 321)
Website: http://www.texwinca.com/

## CONNECTED TRANSACTIONS IN RELATION TO TENANCY AGREEMENTS

**TENANCY AGREEMENTS**

On 30 March 2026:

(1) Mountain Rich as landlord and Tianjin Dafu as tenant entered into a tenancy agreement in relation to the lease of Tianjin Bin Jiang Fu Shi Commercial Building at 282 Bin Jiang Road, He Ping Qu, Tianjin, the PRC;

(2) Latex as landlord and Win Ready as tenant entered into a tenancy agreement in relation to the lease of 22 Perkins Road, Jardine's Lookout, Hong Kong; and

(3) Winson Link as landlord and Win Ready as tenant entered into a tenancy agreement in relation to the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong.

The reason of the transactions is for the renewal of existing tenancy agreements which will expire on 31 March 2026.

On 30 March 2026, Poon's Investment as landlord and Baleno Kingdom as tenant entered into a new tenancy agreement in relation to the lease of car parking space No. 8 at Ground Floor, LMK Development Estate, 10-16 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong for a term of two years commencing from 1 April 2026.

**LISTING RULES IMPLICATIONS**

Each of Mountain Rich, Latex, Winson Link and Poon's Investment is a connected person of the Company within the meaning of the Listing Rules by virtue of its being a wholly-owned company of Mr. Poon who is an executive director, the executive chairman and a controlling shareholder of the Company. Accordingly, the Tenancy Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

** For identification purposes only*

As the applicable percentage ratios as represented by the Aggregated Value of the Right-of-use Asset are more than 0.1% but less than 5%, the connected transactions are only subject to reporting and announcement requirements but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

**TENANCY AGREEMENTS**

**(1) Tenancy Agreement in relation to the lease of Tianjin Bin Jiang Fu Shi Commercial Building at 282 Bin Jiang Road, He Ping Qu, Tianjin, the PRC**

On 30 March 2026, Mountain Rich as landlord and Tianjin Dafu as tenant entered into a tenancy agreement in relation to the lease of Tianjin Bin Jiang Fu Shi Commercial Building at 282 Bin Jiang Road, He Ping Qu, Tianjin, the PRC. The tenancy shall be for a period of two years commencing on 1 April 2026, with a monthly tax-included rent of RMB494,270 payable for the duration of the term.

The reason of the transaction is for the renewal of an existing tenancy agreement which will expire on 31 March 2026 and Tianjin Dafu intends to continue leasing the property as retail outlets.

**(2) Tenancy Agreement in relation to the lease of 22 Perkins Road, Jardine's Lookout, Hong Kong**

On 30 March 2026, Latex as landlord and Win Ready as tenant entered into a tenancy agreement in relation to the lease of 22 Perkins Road, Jardine's Lookout, Hong Kong. The tenancy shall be a period of two years commencing on 1 April 2026, with a monthly rent of HK$400,000 payable for the duration of the term.

The reason of the transaction is for the renewal of an existing tenancy agreement which will expire on 31 March 2026 and Win Ready intends to continue leasing the property for the provision of a director's quarter.

**(3) Tenancy Agreement in relation to the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong**

On 30 March 2026, Winson Link as landlord and Win Ready as tenant entered into a tenancy agreement in relation to the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong. The tenancy shall be a fixed term of two years commencing on 1 April 2026, with a monthly rent of HK$46,500 payable for the duration of the term.

The reason of the transaction is for the renewal of an existing tenancy agreement which will expire on 31 March 2026 and Win Ready intends to continue leasing the property as a training centre for the Group.

**(4) Tenancy Agreement in relation to the lease of car parking space No. 8 at Ground Floor, LMK Development Estate, 10-16 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong**

On 30 March 2026, Poon's Investment as landlord and Baleno Kingdom as tenant entered into a new tenancy agreement in relation to the lease of car parking space No. 8 at Ground Floor, LMK Development Estate, 10-16 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong. The tenancy shall be a fixed term of two years commencing on 1 April 2026, with a monthly rent of HK$3,700 payable for the duration of the term.

This transaction is intended for Poon's Investment to lease a car parking space to Baleno Kingdom for business use.

## REASONS FOR AND BENEFITS OF ENTERING INTO THE TENANCY AGREEMENTS

The transactions are undertaken for the renewal of each existing tenancy agreement, which will expire on 31 March 2026, and for the lease of a car parking space for the Group's business use under a new tenancy agreement. The Tenancy Agreements will ensure the continued use of the Group's existing properties together with the additional premises provided, thereby meeting business operational requirements and avoiding potential relocation and the associated costs. The Board therefore considers it beneficial for the Group to enter into the Tenancy Agreements.

The terms of the Tenancy Agreements have been negotiated on an arm's length basis between the landlords and the tenants. The monthly rents payable under the Tenancy Agreements are determined with reference to the market rental value of the respective properties (as specified in the definition of Tenancy Agreements), as assessed by an independent third-party property valuer.

The Directors (including the independent non-executive Directors) are of the view that the transactions are conducted in the ordinary and usual course of business of the Group, the terms of the Tenancy Agreements are on normal commercial terms which are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

## RIGHT-OF-USE ASSETS

According to HKFRS 16 "Leases", the Group, as the lessee, shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of the financial position of the Group. The recognition of a right-of-use asset in relation to the fixed lease payments under the Tenancy Agreements will be regarded as an acquisition of asset under the definition of transaction set out in the Rule 14.04(1)(a) of the Listing Rules. The aggregated value of right-of-use assets recognised under the Tenancy Agreements (the "Aggregated Value of the Right-of-use Assets") is approximately HK$23,500,000. The amount of lease liability recognised under the Tenancy Agreements is the same as the Aggregated Value of the Right-of-use Assets recognised.

## INFORMATION ABOUT THE PARTIES

The principal activities of the Group include the production, dyeing and sale of knitted fabric, yarn and garments; the retailing and distribution of casual apparel and accessories; the provision of franchise services and properties investment.

Mountain Rich, Latex, Winson Link and Poon's Investment are direct wholly-owned by Mr. Poon and principally engaged in properties investment .

## LISTING RULES IMPLICATIONS

Each of Mountain Rich, Latex, Winson Link and Poon's Investment is a connected person of the Company within the meaning of the Listing Rules by virtue of being direct wholly-owned by Mr. Poon who is an executive director, the executive chairman and a controlling shareholder of the Company. Accordingly, the Tenancy Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios as represented by the Aggregated Value of the Right-of-use Asset are more than 0.1% but less than 5%, the connected transactions are only subject to the reporting and announcement requirements but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Poon, an executive director, the executive chairman and the controlling shareholder of the Company, abstained from voting on the Board resolutions of the Company approving the Tenancy Agreements. Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, no other Director has material interest in the Tenancy Agreements and accordingly, none of them is required to abstain from voting on the Board resolutions for consideration and approving the same.

The details of the transactions under the Tenancy Agreements as required under Rule 14A.71 of the Listing Rules will be included in the Company's 2026 annual report.

## DEFINITIONS

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

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| "Baleno Kingdom" | Baleno Kingdom Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company which is principally engaged in retailing and distribution of casual apparel and accessories; |
| "Board" | the board of Directors; |
| "Company" | Texwinca Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange; |
| "connected person" | has the meaning ascribed to it under the Listing Rules; |

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| "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 from time to time; |
| "HKFRS 16" | Hong Kong Financial Reporting Standard 16 "Leases", issued by the Hong Kong Institute of Certified Public Accountants; |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong; |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC; |
| "Latex" | Latex (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Poon; |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange; |
| "Mountain Rich" | Mountain Rich Limited, a company a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Poon; |
| "Mr. Poon" | Mr. Poon Bun Chak is an executive director, the executive chairman and a controlling shareholder of the Company; |
| "percentage ratios" | has the meaning ascribed to it under the Listing Rules; |
| "Poon's Investment" | Poon's Investment Company Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Poon; |
| "PRC" | the People's Republic of China; |
| "RMB" | Renminbi, the lawful currency of the PRC; |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited; |
| "Tenancy Agreements" | collectively the following agreements:<br><br>(1) the tenancy agreement dated 30 March 2026 entered into between Mountain Rich as landlord and Tianjin Dafu as tenant in relation to the lease of Tianjin Bin Jiang Fu Shi Commercial Building at 282 Bin Jiang Road, He Ping Qu, Tianjin, the PRC;<br><br>(2) the tenancy agreement dated 30 March 2026 entered into between Latex as landlord and Win Ready as tenant in relation to the lease of 22 Perkins Road, Jardine's Lookout, Hong Kong; |

(3) the tenancy agreement dated 30 March 2026 entered into between Winson Link as landlord and Win Ready as tenant in relation to the lease of Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong; and

(4) the tenancy agreement dated 30 March 2026 entered into between Poon's Investment as landlord and Baleno Kingdom as tenant in relation to the lease of car parking space No. 8 at Ground Floor, LMK Development Estate, 10-16 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong.

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| "Tianjin Dafu" | Tianjin Dafu Friendship Baleno Company Limited, a company incorporated in the PRC and a wholly-owned subsidiary of the Company which is principally engaged in retailing and distribution of casual apparel and accessories; |
| "Win Ready" | Win Ready Industrial Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company which is principally engaged in investment and properties holding; |
| "Winson Link" | Winson Link Enterprises Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Poon; and |
| "%" | per cent. |

On behalf of the Board
**Poon Bun Chak**
*Executive Chairman*

Hong Kong, 30 March 2026

*As at the date of this announcement, the executive directors of the Company are Mr. Poon Bun Chak, Mr. Poon Ho Tak, Mr. Ho Lai Hong, Mr. Ng Mo Ping and Mr. Wu Chi Hang; and the independent non-executive directors of the Company are Mr. Law Brian Chung Nin, Ms. Lin Kit Yee Anna and Mr. Lee Wai Yip Alvin.*