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YGM TRADING LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT 2023/24

INTRODUCTION

Reference is made to the annual report for the financial year ended 31 March 2024 published by the Company on 31 July 2024 (the “**Annual Report 2023/24**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Annual Report 2023/24.

In addition to the disclosures under the section headed “Connected Transactions” in the Report of Directors and note 25(b) to the consolidated financial statements as set out in the Annual Report 2023/24, the Company would like to supplement additional information in relation to the connected transactions pursuant to the disclosure requirements of Chapter 14A of the Listing Rules as follows.

SUPPLEMENTAL INFORMATION TO ANNUAL REPORT 2023/24

Certain related party transactions as disclosed in note 25(b) to the consolidated financial statements as set out in the Annual Report 2023/24 also constituted connected transactions under the Listing Rules which are required to be disclosed in the Annual Report 2023/24 in accordance with Chapter 14A of the Listing Rules. The details of such connected transactions for the financial year ended 31 March 2024 are set out below.

Garment Transactions

On 29 March 2023, YGM Trading Limited entered into an agreement (the “**Garment Master Agreement**”) with Yangtzekiang Garment Limited (“**Yangtzekiang**”, together with its subsidiaries the “**Yangtzekiang Garment Group**”), pursuant to which the Group might from time to time purchase knitwear and other garment products from Yangtzekiang Garment Group during the period commencing on 1 April 2023 and ending on 31 March 2025 (both days inclusive). The purchase price payable by the Group to Yangtzekiang Garment Group for the garment products under the Garment Master Agreement shall be payable in cash within 30 days upon issuance of debit notes.

The annual caps for purchasing the garment products from the Yangtzekiang Garment Group for the two financial years ending 31 March 2025 are HK\$9 million and HK\$9 million respectively.

For the financial year ended 31 March 2024, the Group’s purchases of garment products from Yangtzekiang Garment Group amounted to HK\$767,000.

Licence Arrangement

On 29 March 2023, YGM Marketing Limited (“**YGM Marketing**”, a wholly-owned subsidiary of the Company) entered into a licensing agreement with Yangtzekiang (the “**Licence Agreement**”), pursuant to which, Yangtzekiang agreed to allow YGM Marketing to occupy as licensee the premises of approximately 36,000 square feet of warehouse and office space situated at 22-24 Tai Yau Street, San Po Kong, Kowloon, Hong Kong for a term commencing on 1 April 2023 and terminating on 31 March 2025 (both days inclusive). The licence fees (exclusive of government rates and rent, building management fee and other charges) of HK\$360,000 per month and the building management fee of HK\$10,800 per month payable by YGM Marketing to Yangtzekiang under the Licence Agreement shall be paid in cash on a monthly basis within 30 days upon issuance of debit notes, which shall be issued on a monthly basis.

The annual licence fee and the annual building management fee payable by YGM Marketing to Yangtzekiang under the Licence Agreement shall not exceed the maximum annual caps of HK\$4.32 million and HK\$130,000 respectively, which are calculated with reference to the maximum area licensable by YGM Marketing from Yangtzekiang under the Licence Agreement. Under the Listing Rules, the entering into of the Licence Agreement by YGM Marketing was regarded by the Company as an one-off acquisition of right-of-use asset of HK\$8.6 million.

For the financial year ended 31 March 2024, the licence fee and the building management fee paid to Yangtzekiang amounted to HK\$4,320,000 and HK\$130,000 respectively.

Connected relationship with Yangtzekiang

As certain directors of the Company and their associates are collectively the controlling shareholders (as defined in the Listing Rules) of Yangtzekiang and the Company, the above transactions constitute connected transactions as defined in Chapter 14A of the Listing Rules.

Compliance with Chapter 14A of the Listing Rules

The Company has complied with the requirements in Chapter 14A of the Listing Rules in respect of the above connected transactions.

GENERAL

The above supplementary information does not affect other information contained in the Annual Report 2023/24. Save as disclosed above, all other information in the Annual Report 2023/24 remains unchanged.

By Order of the Board
YGM Trading Limited
Chan Wing Sun, Samuel
Chairman

Hong Kong, 1 April 2025

As at the date of this announcement the Board comprises five executive Directors, namely Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley, Mr. Fu Sing Yam, William, Mr. Chan Wing Fui, Peter and Mr. Chan Wing Kee, and three independent Non-executive Directors, namely Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming.