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Qeeka Home (Cayman) Inc.

齊屹科技(開曼)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1739)

CONTINUING CONNECTED TRANSACTIONS RENEWED BRAUSEN REFERRAL SERVICES AGREEMENT WITH SHANGHAI QIJIA

The Board announces that on December 31, 2020, Beijing Brausen, a non-wholly owned subsidiary of the Company, entered into the Renewed Brausen Referral Services Agreement with Shanghai Qijia, in order to continue with the transactions under the Existing Brausen Referral Services Agreement after its expiry on December 31, 2020. Pursuant to the Renewed Brausen Referral Services Agreement, Shanghai Qijia will work with certain construction materials and household products suppliers, to sell customized construction materials and furniture packages to end-clients introduced by Beijing Brausen. In return for the referral services provided by Beijing Brausen, Shanghai Qijia will pay commission to Beijing Brausen.

LISTING RULES IMPLICATIONS

Shanghai Qijia is ultimately controlled by Mr. Deng, an executive Director and chairman of the Board. Hence, Shanghai Qijia is an associate of Mr. Deng and a connected person of the Company. Accordingly, the transactions contemplated under the Renewed Brausen Referral Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since at least one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps for transactions contemplated under the Renewed Brausen Referral Services Agreement is above 0.1% but all applicable percentage ratios are below 5%, the transactions contemplated under the Renewed Brausen Referral Services Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

RENEWED BRAUSEN REFERRAL SERVICES AGREEMENT WITH SHANGHAI QIJIA

The Board announces that on December 31, 2020, Beijing Brausen, a non-wholly owned subsidiary of the Company, entered into the Renewed Brausen Referral Services Agreement with Shanghai Qijia, in order to continue with the transactions under the Existing Brausen Referral Services Agreement after its expiry on December 31, 2020. Pursuant to the Renewed Brausen Referral Services Agreement, Shanghai Qijia will work with certain construction materials and household products suppliers, to sell customized construction materials and furniture packages to end-clients introduced by Beijing Brausen. In return for the referral services provided by Beijing Brausen, Shanghai Qijia will pay commission to Beijing Brausen.

End-clients introduced by Beijing Brausen and Shanghai Qijia may enter into definitive purchase order in respect of each construction materials and furniture package stipulating the detailed terms including the final selling price and decorated home-size in accordance with the agreed terms of the Renewed Brausen Referral Services Agreement. Selling price of the construction materials and furniture package offered by Shanghai Qijia to end-clients ranges from RMB599 per sq.m. for the base package to RMB799 per sq.m. for the premium package, which may be further adjusted by Shanghai Qijia based on its costs of production.

The Renewed Brausen Referral Services Agreement will be effective from January 1, 2021 to December 31, 2021. The commission payable to Beijing Brausen for each construction materials and furniture package is determined after arm's length negotiation between the parties, which shall be at a rate equal to (a) 20% of the selling price of the construction materials and furniture package for home-sizes smaller than 70 sq.m.; (b) 25% of the selling price of the construction materials and furniture package for home-sizes between 70 sq.m. to 100 sq.m.; and (c) 30% of the selling price of the construction materials and furniture package for home-sizes above 100 sq.m. The respective commission rate shall be increased by 1% when the aggregate sales to end-clients introduced by Beijing Brausen reaches RMB2,500,000 and by 2% when the aggregate sales to end-clients introduced by Beijing Brausen reaches RMB5,000,000.

Historical amounts

The historical annual cap under each of the Existing Brausen Referral Services Agreements for the years ending December 31, 2019 and December 31, 2020 was RMB5,500,000 and RMB6,000,000, respectively.

The amounts received by Beijing Brausen under the Existing Brausen Referral Services Agreements were RMB5.3 million for the year ended December 31, 2019 and RMB4.4 million for the year ended December 31, 2020.

Annual caps and basis

Amounts receivable by Beijing Brausen under the Renewed Brausen Referral Services Agreement for the year ending December 31, 2021 is subject to a cap of RMB6,000,000. The annual cap is set based on the historical transaction amounts, anticipated number of packages referred, the estimated selling price of the construction materials and furniture packages to end-clients and the home-sizes involved.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Company is of the view that entering into the Renewed Brausen Referral Services Agreement will benefit the Group since the Renewed Brausen Referral Services Agreement provides the Group with an additional income stream in its ordinary course of business. Also, the familiarity of Shanghai Qijia with the Group can avoid lengthy negotiations between the parties, and that the fees under the Renewed Brausen Referral Services Agreement are negotiated after arm's length discussions and reflect normal commercial terms. As a result, the Company considers it desirable to enter into the Renewed Brausen Referral Services Agreement in its ordinary course of business.

As Shanghai Qijia is ultimately controlled by Mr. Deng, Mr. Deng has abstained from voting on the Board resolution approving the Renewed Brausen Referral Services Agreement.

The Directors (including independent non-executive Directors but excluding Mr. Deng who has abstained from voting) are of the view that the Renewed Brausen Referral Services Agreement was entered into after arm's length negotiation between the respective parties, and is in the ordinary and usual course of business of the Group, reflect normal commercial terms and are in the interests of the Company and its shareholders as a whole, and the terms and annual caps are fair and reasonable.

GENERAL INFORMATION

The Company is incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange. The Company is the largest interior design and construction online platform in the PRC.

Beijing Brausen is a company incorporated in the PRC with limited liability and principally focused on provision of interior design and construction services. It is a non-wholly owned subsidiary of the Company.

Shanghai Qijia is a company incorporated in the PRC with limited liability and principally focused on shopping mall management and leasing business. As of the date of this announcement, the equity interest of Shanghai Qijia is held by Ninghua Humin Investment Limited Partnership as to 99.9% and Mr. Qiu Zhenyi as to 0.1%.

Mr. Qiu Zhenyi acts as the general partner of and one of the limited partners holding 10% of Ninghua Humin Investment Limited Partnership for the benefit of Mr. Deng, both exercising such power at the direction of Mr. Deng, and hold such limited partner interest on behalf of Mr. Deng. Mr. Deng is also a limited partner holding 90% equity interest in Ninghua Humin Investment Limited Partnership.

LISTING RULES IMPLICATIONS

Shanghai Qijia is ultimately controlled by Mr. Deng, an executive Director and chairman of the Board. Hence, Shanghai Qijia is an associate of Mr. Deng and a connected person of the Company. Accordingly, the transactions contemplated under the Renewed Brausen Referral Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since at least one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the annual caps for transactions contemplated under the Renewed Brausen Referral Services Agreement is above 0.1% but all applicable percentage ratios are below 5%, the transactions contemplated under the Renewed Brausen Referral Services Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“associates”	has the meaning ascribed to it under the Listing Rules
“Beijing Brausen”	Beijing Brausen Home Furnishing Decoration Co., Ltd.* (北京博若森家居裝飾有限公司), a company incorporated in the PRC with limited liability and a non-wholly owned subsidiary of the Company
“Board”	the board of Directors
“Company”	Qeeka Home (Cayman) Inc. 齊屹科技(開曼)有限公司 (formerly known as China Home (Cayman) Inc.), an exempted company with limited liability incorporated in the Cayman Islands on November 20, 2014, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1739)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Existing Brausen Referral Services Agreement(s)”	the referral services agreements dated January 10, 2019 and December 27, 2019, respectively, entered into between Beijing Brausen and Shanghai Qijia pursuant to which Shanghai Qijia will work with certain construction materials and household products suppliers, to sell customized construction materials and furniture packages to end-clients introduced by Beijing Brausen for a commission, the latest term of which will expire on December 31, 2020
“Group”	the Company and its subsidiaries (including its PRC operating entities the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of the Company by virtue of a series of contractual arrangements)
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Renewed Brausen Referral Services Agreement”	the referral services agreement dated December 31, 2020 entered into between Beijing Brausen and Shanghai Qijia pursuant to which Shanghai Qijia will work with certain construction materials and household products suppliers, to sell customized construction materials and furniture packages to end-clients introduced by Beijing Brausen
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Qijia”	Shanghai Qijia E-Commerce Co., Ltd.* (上海齊家電子商務有限公司), a company with limited liability incorporated in the PRC, which is ultimately controlled by Mr. Deng as of the date of this announcement
“Shareholders”	holders of the Shares
“Share(s)”	the ordinary share(s) of US\$0.0001 each of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

* *The Chinese name of the entities established in the PRC is the official name and the English name is the translation for identification purpose only.*

By order of the Board
Qeeka Home (Cayman) Inc.
DENG Huajin
Chairman

Shanghai, the PRC, December 31, 2020

As at the date of this announcement, the Board comprises Mr. DENG Huajin, Mr. TIAN Yuan and Mr. GAO Wei as executive Directors; Mr. LI Gabriel, Ms. PING Xiaoli and Mr. ZHAO Guibin as non-executive Directors and Mr. ZHANG Lihong, Mr. CAO Zhiguang and Mr. WONG Man Chung Francis as independent non-executive Directors.