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## **Fameglow Holdings Limited**

**亮晴控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8603)**

### **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2021**

The board (the “**Board**”) of directors (the “**Directors**”) of Fameglow Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated third quarterly results of the Company and its subsidiaries (collectively the “**Group**”) for the nine months ended 31 December 2021 together with the comparative figure. This announcement, containing the full text of the 2021 third quarterly report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to information to accompany preliminary announcements of third quarterly results. This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.fameglow.com](http://www.fameglow.com)). The printed version of the Company’s 2021 third quarterly report will be despatched to the shareholders of the Company and available on the websites of the Company and the Stock Exchange in due course.

By order of the Board  
**Fameglow Holdings Limited**  
**Mr. Yip Chun Kwok Danny, MH**  
*Chairman and Executive Director*

Hong Kong, 14 February 2022

*As at the date of this announcement, the executive Directors are Mr. Yip Chun Kwok Danny, MH and Ms. Fu Chi Ching; and the independent non-executive Directors are Mr. Tan Pui Kwan, Mr. Kwok David and Mr. Yu Chi Wing.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of publication and on the website of the Company at [www.fameglow.com](http://www.fameglow.com).*

## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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*This report, for which the directors (the “**Director(s)**”) of Fameglow Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**We**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yip Chun Kwok Danny, MH (*Chairman*)

Ms. Fu Chi Ching (*Chief Executive Officer*)

#### Independent Non-executive Directors

Mr. Kwok David

(*appointed on 1 December 2021*)

Mr. Tan Pui Kwan

Mr. Yu Chi Wing

Mr. Khoo Wun Fat William

(*resigned on 1 December 2021*)

#### Audit Committee

Mr. Yu Chi Wing (*Chairman*)

Mr. Kwok David

(*appointed on 1 December 2021*)

Mr. Tan Pui Kwan

Mr. Khoo Wun Fat William

(*resigned on 1 December 2021*)

#### Remuneration Committee

Mr. Kwok David (*Chairman*)

(*appointed on 1 December 2021*)

Mr. Tan Pui Kwan

Ms. Fu Chi Ching

Mr. Khoo Wun Fat William (*Chairman*)

(*resigned on 1 December 2021*)

#### Nomination Committee

Mr. Yip Chun Kwok Danny, MH (*Chairman*)

Mr. Kwok David

(*appointed on 1 December 2021*)

Mr. Yu Chi Wing

Mr. Khoo Wun Fat William

(*resigned on 1 December 2021*)

#### AUTHORISED REPRESENTATIVES

Mr. Yip Chun Kwok Danny, MH

Ms. Fu Chi Ching

#### COMPANY SECRETARY

Mr. Li Chi Lok

#### COMPLIANCE OFFICER

Ms. Fu Chi Ching

#### AUDITOR

Elite Partners CPA Limited

10/F, 8 Observatory Road

Tsim Sha Tsui

Kowloon

Hong Kong

#### REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

#### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 304, Global Gateway Tower

63 Wing Hong Street

Cheung Sha Wan

Kowloon, Hong Kong

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

#### PRINCIPAL BANKER

Bank of Communications Co., Ltd.

Hong Kong Branch

20 Pedder Street

Central, Hong Kong

#### COMPANY'S WEBSITE

[www.fameglow.com](http://www.fameglow.com)

#### STOCK CODE

8603

## FINANCIAL HIGHLIGHTS

Revenue of the Group for the nine months ended 31 December 2021 amounted to approximately HK\$175.5 million (nine months ended 31 December 2020: approximately HK\$58.8 million).

The Group generated net profit of approximately HK\$12.6 million for the nine months ended 31 December 2021 (nine months ended 31 December 2020: net loss of approximately HK\$21.7 million).

The board of directors (the “**Board**”) did not recommend a payment of any dividend for the nine months ended 31 December 2021 (nine months ended 31 December 2020: Nil).

The Board is pleased to report the unaudited condensed consolidated financial results of the Group for the nine months ended 31 December 2021, together with the comparative unaudited figures for the corresponding period in 2020, as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

	NOTES	Nine months ended 31 December	
		2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Revenue	4	175,478	58,838
Cost of inventories and consumables		(29,244)	(9,239)
Other income	5	428	8,336
Staff costs		(56,834)	(31,061)
Rental and related expenses		(3,674)	(1,003)
Depreciation of property, plant and equipment		(13,116)	(8,913)
Depreciation of right-of-use assets		(17,543)	(12,704)
Other expenses		(39,587)	(24,592)
Finance costs		(3,687)	(1,677)
Profit (loss) before taxation	6	12,221	(22,015)
Taxation	7	345	276
Profit (loss) and total comprehensive income (expense) for the period		12,566	(21,739)
Earnings (loss) per share			
– Basic (HK cents)	9	1.57	(2.72)

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
As at 1 April 2021 (audited)	8,000	64,107	(21,026)	(39,171)	11,910
Profit and total comprehensive income for the period	-	-	-	12,566	12,566
As at 31 December 2021 (unaudited)	8,000	64,107	(21,026)	(26,605)	24,476
As at 1 April 2020 (audited)	8,000	64,107	(21,026)	(12,212)	38,869
Loss and total comprehensive expense for the period	-	-	-	(21,739)	(21,739)
As at 31 December 2020 (unaudited)	8,000	64,107	(21,026)	(33,951)	17,130

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 31 DECEMBER 2021

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 2 March 2018 under the Companies Law Chapter 22 of the Cayman Islands. The shares of the Company were listed on GEM of The Stock Exchange on 15 October 2018 (the “**Listing**”). The immediate holding company of the Company is Equal Joy Holdings Limited (“**Equal Joy**”), which is incorporated in the British Virgin Islands (“**BVI**”), and is 50% and 50% owned by Ms. Fu Chi Ching (“**Ms. Fu**”) and Mr. Yip Chun Kwok Danny (“**Mr. Yip**”), spouse of Ms. Fu (Mr. Yip together with Ms. Fu collectively known as the “**Controlling Shareholders**”). The addresses of the registered office and the principal place of business of the Company are disclosed in the section headed “Corporate Information” of this report.

The Company acts as an investment holding company and its subsidiaries are principally engaged in provision of treatment services and sale of skincare products in Hong Kong. The Company and its subsidiaries hereinafter referred to as the “Group”. The condensed consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”) which is also the functional currency of the Company and its principal subsidiaries.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

## 3. SIGNIFICANT ACCOUNTING POLICES

The condensed consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Other than changes in accounting policies resulting from application of new and amendments to HKFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the nine months ended 31 December 2021 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2021.

### Application of new and amendments to HKFRSs

In the current period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2021 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021

The application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial statements for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 4. REVENUE AND SEGMENTAL INFORMATION

### Revenue

Revenue represents the net amounts received and receivable arising from the provision of treatment services, sales of skincare products and the provision of training services in Hong Kong.

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Revenue from the provision of treatment services	170,409	56,527
Sale of skincare products	965	744
Revenue from expiry of prepaid treatments	2,711	1,255
Revenue from the provision of training services	1,393	312
	<b>175,478</b>	<b>58,838</b>

### Segment information

The financial information reported to the executive directors of the Company, being the chief operating decision maker ("CODM") for the purpose of resources allocation and performance assessment, the CODM reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies. Accordingly, the Group has one single operating segment and no further discrete financial information nor analysis of this single segment is presented.

## 5. OTHER INCOME

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Government subsidies	–	7,186
Interest income from life insurance contracts	–	660
Interest income from bank deposits	–	220
Interest income from rental deposit	270	128
Others	158	142
	<b>428</b>	<b>8,336</b>

## 6. PROFIT (LOSS) BEFORE TAXATION

Profit (loss) before taxation has been arrived at after charging:

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Directors' remuneration	3,177	2,725
Salaries, wages, commission, bonuses and allowances	51,990	27,342
Retirement benefit scheme contributions	1,667	994
Total staff costs	<b>56,834</b>	<b>31,061</b>
Consultancy fee for doctors	5,568	2,657
Operating leases payments in respect of:		
– Short-term leases	–	78
– Contingent rent	–	–

## 7. TAXATION

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Hong Kong:		
Current tax	–	–
Deferred tax credit	(345)	(276)
Income tax credit	(345)	(276)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

For the nine months ended 31 December 2021, Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits of one of the subsidiaries of the Company and at 16.5% on the estimated assessable profits above HK\$2,000,000 of that subsidiary. The profits of other group entities not qualified for the two-tier profits tax regime will continue to be taxed at a flat rate of 16.5%. (nine months ended 31 December 2020: same).

## 8. DIVIDEND

The Board did not recommend a payment of any dividend for the nine months ended 31 December 2021 (nine months ended 31 December 2020: Nil).

## 9. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the owners of the Company is based on the following data:

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Profit (loss) for the period for the purposes of basic earnings (loss) per share	12,566	(21,739)

	Nine months ended 31 December	
	2021 '000 (Unaudited)	2020 '000 (Unaudited)
Weighted average number of ordinary shares in issue for the purposes of basic earnings (loss) per share	800,000	800,000

No diluted earnings (loss) per share for both periods was presented as there were no potential ordinary shares in issue during both periods.

## 10. RELATED PARTY TRANSACTIONS

### Compensation of key management personnel

The remuneration of key management personnel during the nine months ended 31 December 2021 and 2020, respectively were as follows:

	Nine months ended 31 December	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Short-term benefits	3,905	3,398
Post-employment benefits	35	40
	<b>3,940</b>	<b>3,438</b>

## 11. EVENT AFTER THE REPORTING PERIOD

Since January 2020, the outbreak of Coronavirus Disease 2019 ("COVID-19") has negative impacts on the global business environment. In view of the development and spread of COVID-19 subsequent to the date of these consolidated financial statements, the disease prevention measures have been tightened by the Hong Kong Government again since early January 2022, the changes in economic conditions for the Group arising thereof may have negative impacts on the financial results of the Group, the extent of which could not be estimated as at the date of these consolidated financial statements.

The Group will keep continuous attention on the situation of the COVID-19 and react actively to its impact to the financial position and operating results of the Group. Save as disclosed above, there was no significant event occurred after the reporting period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group is a medical aesthetic service provider in Hong Kong and operates medical aesthetic centres in prime locations of Causeway Bay, Tsim Sha Tsui, Mong Kok and Central providing non-surgical medical aesthetic services. We strive to provide holistic treatment solutions to our clients through our non-surgical medical aesthetic services, traditional beauty services and sale of skincare products to help our clients maintain and enhance their skin conditions and physical appearance.

The outlook of the medical aesthetic services industry remains optimistic with market demand growing fast in recent years, owed mainly to the increasing affordability and public acceptance of related services.

In order to seize the opportunity created by increasing customer demands, we expanded our operation scale by opening several new centres. In May 2021, we have launched a new flagship centre in Mong Kok to facilitate the continuous growth of our business. The Group also plans to open another new centre in Tsim Sha Tsui in the first half of 2022. The Group believes that the expansion will enable us to deepen our market penetration in Hong Kong and improve our Group's profitability. The Group will also take advantage of its enlarging geographical presence to attract new and more diverse customers. Along with the strategic expansion of its medical aesthetic centre network, the Group will sharpen its competitive advantage by extending the spectrum of our treatment services offered.

For the nine months ended 31 December 2021, the business environment in Hong Kong was gradually recovering from Coronavirus Disease 2019 ("COVID-19") pandemic, the Group's revenue amounted to approximately HK\$175.5 million, representing an increase of approximately HK\$116.6 million or 198.2% as compared with the corresponding period of 2020. Profit for the period amounted to approximately HK\$12.6 million, while incurred loss for the corresponding period of approximately HK\$21.7 million. It was primarily attributable to the increase in revenue as a result of (i) the medical aesthetic centres of the Group were compulsorily closed for certain period due to the outbreak of COVID-19 during the corresponding period of 2020 while there was no such impact during the current period and (ii) the increased revenue from the new centre opened in May 2021.

It is however worth noting that in view of the development of the epidemic situation, the disease prevention measures have been tightened by the Hong Kong Government again since early January 2022 resulting in negative impacts on the financial results of the Group in the fourth quarter of the financial year.

## PROSPECTS

Despite the outlook of medical aesthetic services remains positive, the outbreak of COVID-19 since early 2020 is still causing uncertainties to the business environment in Hong Kong. The Group will closely monitor the market conditions and will intensify its response and elaborate sustainable development strategies to overcome the current unfavourable environment.

Nevertheless, the Group is confident of its capability to deliver quality service to our clients. Moving forward, the Group will apply its strengths, build on its solid customer base and established reputation to deliver stable business development and maximise the shareholders' value.

## FINANCIAL REVIEW

### Revenue

The revenue of the Group amounted to approximately HK\$175.5 million and approximately HK\$58.8 million for the nine months ended 31 December 2021 and 2020 respectively which represented an increase of approximately HK\$116.6 million or 198.2% as compared with the corresponding period of 2020. The increase was primarily attributable to (i) the medical aesthetic centres of the Group were compulsorily closed for certain period due to the outbreak of COVID-19 during the corresponding period of 2020 while there was no such impact during the current period and (ii) the increased revenue from the new centre opened in May 2021.

### Cost of inventories and consumables

Cost of inventories and consumables amounted to approximately HK\$29.2 million and HK\$9.2 million for the nine months ended 31 December 2021 and 2020 respectively. The increase was in line with the revenue growth.

### Other income

Other income amounted to approximately HK\$0.4 million and HK\$8.3 million for the nine months ended 31 December 2021 and 2020 respectively. The decrease in other income was mainly attributable to the absence of Government subsidies granted under the anti-epidemic fund during the current period.

## **Staff costs**

Staff costs amounted to approximately HK\$56.8 million and HK\$31.1 million for the nine months ended 31 December 2021 and 2020 respectively. The increase in staff costs was mainly due to the increased number of staff during the current period.

## **Rental and related expenses**

Rental and related expenses amounted to approximately HK\$3.7 million and HK\$1.0 million for the nine months ended 31 December 2021 and 2020 respectively, which comprised of management fees, rates and government rent and license fees for our medical aesthetic centres.

## **Depreciation of property, plant and equipment**

Depreciation expenses amounted to approximately HK\$13.1 million and HK\$8.9 million for the nine months ended 31 December 2021 and 2020 respectively. The increase was mainly due to the additions of the property, plant and equipment such as leasehold improvements and treatment devices.

## **Depreciation of right-of-use assets**

The Group recorded depreciation of right-of-use assets of approximately HK\$17.5 million and HK\$12.7 million for the nine months ended 31 December 2021 and 2020 respectively. The increase was mainly due to the increased number of leases for new medical aesthetic centres.

## Other expenses

The breakdown of the other expenses is as follows:

	Nine months ended 30 December	
	2021 HK\$'000	2020 HK\$'000
Marketing and promotion expenses	20,625	12,749
Card commission	4,158	2,262
Consultancy fees to doctors	5,568	2,657
Professional fees	890	1,475
Repair and maintenance fees	2,175	946
Others	6,171	4,503
	<b>39,587</b>	<b>24,592</b>

Other expenses amounted to approximately HK\$39.6 million and HK\$24.6 million for the nine months ended 31 December 2021 and 2020 respectively. The increase was primarily due to the increment in promotional campaigns such as sponsorship, outdoor advertising and advertising on various social media platforms to improve the brand awareness so as to maintain the business scale and gain market share.

## Profit (loss) for the period

The Group generated a net profit of approximately HK\$12.6 million for the nine months ended 31 December 2021 (2020: net loss of approximately HK\$21.7 million). This was mainly due to (i) the medical aesthetic centres of the Group were compulsorily closed for certain period due to the outbreak of COVID-19 during the corresponding period of 2020 while there was no such impact during the current period and (ii) the increased revenue from the new centre opened in May 2021.

## Dividend

The Board did not recommend a payment of any dividend for the nine months ended 31 December 2021 (nine months ended 31 December 2020: Nil).

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. The Company has complied with all applicable code provisions of the CG Code during the nine months ended 31 December 2021 and up to the date of this report. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

### COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he has complied with the required standard of dealings for the nine months ended 31 December 2021.

### AUDIT COMMITTEE AND REVIEW OF THE THIRD QUARTERLY RESULTS

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee comprises three members, namely Mr. Yu Chi Wing (Chairman), Mr. Kwok David and Mr. Tan Pui Kwan, all of them are independent non-executive Directors. The Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed with the management internal control and financial reporting matters of the Company, including the review of the unaudited condensed consolidated results of the Group for the nine months ended 31 December 2021 and the third quarterly report. The Audit Committee is of the opinion that the unaudited condensed consolidated results of the Group for the nine months ended 31 December 2021 comply with the applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosure has been made.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the nine months ended 31 December 2021, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange, were as follows:

### Long position in the shares of the Company:

Name of director/ chief executive	Capacity/Nature of interest	Number of Shares held (Note i)	Percentage of shareholding
Mr. Yip	Interest in controlled corporation (Note ii)	600,000,000 (L)	75%
Ms. Fu	Interest in controlled corporation (Note ii)	600,000,000 (L)	75%

Notes:

- (i) The letter "L" denotes the person's long position in the relevant shares.
- (ii) All the issued shares of Equal Joy are legally and beneficially owned as to 50% by each of Mr. Yip and Ms. Fu. Accordingly, they are deemed to be interested in the 600,000,000 shares held by Equal Joy by virtue of the SFO. Mr. Yip, Ms. Fu and Equal Joy together are a group of controlling shareholders of the Company.

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which are required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or which shall be, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As at 31 December 2021, to the knowledge of the Directors, the following persons/entities (other than the Directors or chief executive of the Company) who had or were deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

<b>Name of shareholder</b>	<b>Capacity/Nature of interest</b>	<b>Number of Shares held (Note i)</b>	<b>Percentage of shareholding</b>
Equal Joy	Beneficial owner (Note ii)	600,000,000 (L)	75%

Notes:

- (i) The letter "L" denotes the person's long position in the relevant shares.
- (ii) All the issued shares of Equal Joy are legally and beneficially owned as to 50% by each of Mr. Yip and Ms. Fu. Mr. Yip, Ms. Fu and Equal Joy together are a group of controlling shareholders of the Company.

Save as disclosed above, as at 31 December 2021, the Directors were not aware of any other persons/entities (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## SHARE OPTION SCHEME

In order to incentivise and/or recognise and acknowledge the contributions that eligible persons have made or may make to the Group, the Company adopted the share option scheme pursuant to written resolutions of the Shareholders passed on 21 September 2018 (the “**Share Option Scheme**”). The Board may, at its discretion, offer to grant an option to any eligible persons.

Unless terminated by the Company by resolution in general meeting, the Share Option Scheme shall be valid and effective for a period of 10 years commencing from the date of adoption.

The purpose of the Share Option Scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons’ contribution to further advance the interests of the Group. The terms of the Share Option Scheme are in accordance with provisions of Chapter 23 of GEM Listing Rules.

No option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption. The Company did not have any outstanding share options, warrants, derivatives or securities which are convertible or exchangeable into shares as at 31 December 2021 and up to the date of this report.

## DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this third quarterly report, at no time during the nine months ended 31 December 2021 and up to the date of this report was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

## **DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS**

During the nine months ended 31 December 2021, and up to the date of this report, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group and which requires disclosure pursuant to Rule 11.04 of GEM Listing Rules.

By Order of the Board  
**Fameglow Holdings Limited**  
**Mr. Yip Chun Kwok Danny, MH**  
*Chairman and Executive Director*

Hong Kong, 14 February 2022

*As at the date of this report, the executive Directors are Mr. Yip Chun Kwok Danny, MH and Ms. Fu Chi Ching; and the independent non-executive Directors are Mr. Tan Pui Kwan, Mr. Kwok David and Mr. Yu Chi Wing.*