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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)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO THE NEW LEASE AGREEMENT**

#### **THE NEW LEASE AGREEMENT**

The Board announces that on 8 December 2023, Dermaglow Limited, an indirectly wholly-owned subsidiary of the Company, as Lessee, agreed and finalised the terms of the New Lease Agreement in respect of the lease of the Premises with Barrowgate Limited, an Independent Third Party, as Lessor, for a period commencing from 30 April 2024 to 29 April 2027 (both days inclusive).

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

Pursuant to HKFRS 16, as a result of the entering into the New Lease Agreement, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with the GEM Listing Rules.

As the applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the New Lease Agreement based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is accordingly subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement.

#### **THE NEW LEASE AGREEMENT**

The Board announces that on 8 December 2023, Dermaglow Limited, an indirectly wholly-owned subsidiary of the Company, as Lessee, agreed and finalised the terms of the New Lease Agreement in respect of the lease of the Premises with Barrowgate Limited, an Independent Third Party, as Lessor, for a period commencing from 30 April 2024 to 29 April 2027 (both days inclusive).

The principal terms of the New Lease Agreement are set out below:

Lessee: Dermaglow Limited, an indirectly wholly-owned subsidiary of the Company

Lessor: Barrowgate Limited, an Independent Third Party

To the best of the Director's knowledge, information and belief, and having made all reasonable enquiries, the ultimate beneficial owner of the Lessor is Hysan Development Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 14) and the Lessor and its ultimate beneficial owner(s) are Independent Third Parties

Premises: 30/F, Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong

Gross Area: Approximately 15,000 square feet

Term of lease: 3 years commencing from 30 April 2024 to 29 April 2027 (both days inclusive)

Total consideration payable: The total consideration payable under the New Lease Agreement exclusive of rates, management charges and outgoing charges, is approximately HK\$19.1 million

Deposits: HK\$2,791,731

The terms of the New Lease Agreement were determined after arm's length negotiations between the Lessor and Lessee and with reference to the prevailing market rental for properties of similar type, age and location.

The rent is expected to be funded through the internal resources of the Group.

## **INFORMATION OF THE PARTIES**

### **The Company**

The Company is an investment holding company. The Group principally engages in provision of treatment services and sale of skincare products in Hong Kong.

### **The Lessee**

The Lessee is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company. The principal activities of the Lessee are provision of treatment services and sale of skincare products.

## **The Lessor**

The Lessor is primarily engaged in property investment.

To the best of the Director's knowledge, information and belief, and having made all reasonable enquiries, the ultimate beneficial owner of the Lessor is Hysan Development Company Limited, which primarily engaged in hotel operation and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 14) and is principally engaged in property investment, management, development and leasing. The Lessor and its ultimate beneficial owner(s) are Independent Third Parties.

## **REASONS AND BENEFITS FOR THE NEW LEASE AGREEMENT**

The Group is principally engaged in provision of treatment services and sale of skincare products in Hong Kong. The Group's Causeway Bay centre has been operated at the Existing Premises since 2010 and the current lease arrangement will end in mid of 2024. In view of the Group's business is growing rapidly and experiencing an increased demand from clients, the Group considered it is a good opportunity to open a new prime medical aesthetic centre at the Premises with approximately 5,800 square feet larger than the Existing Premises. By expanding the workspace, the Group could accommodate the addition of new services and treatments which may require more space and specialized equipment. It would enhance the Group's branding awareness and attract new and more diverse customers. It would also increase the Group's operating effectiveness and provide room to capture the Group's future growth and profitability.

In addition, the terms (including the rent and management fee) of the New Lease Agreement were determined after arm's length negotiations between the Lessor and Lessee and with reference to the prevailing market rental for properties of similar type, age and location. The Directors consider that the terms of the New Lease Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

Pursuant to HKFRS 16, as a result of the entering into the New Lease Agreement, the Group shall recognise the right-of-use asset in the consolidated financial statements of the Company, and the transaction contemplated thereunder will be regarded as an acquisition of asset by the Group in accordance with the GEM Listing Rules. The estimated value of the right-of-use asset to be recognised by the Company under the New Lease Agreement shall amount to approximately HK\$19.1 million.

As the applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the New Lease Agreement based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is accordingly subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement.

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	Fameglow Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands and, the shares of which are listed on GEM of the Stock Exchange (Stock code: 8603)
“connected person”	has the meaning ascribed to it under GEM Listing Rules
“Directors”	the directors of the Company
“Existing Premises”	Room 3501–3503, 35/F, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standard 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, is/are not connected persons of the Company and is/are third party independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Lessee”	Dermaglow Limited, an indirectly wholly-owned subsidiary of the Company
“Lessor”	Barrowgate Limited, an Independent Third Party
“New Lease Agreement”	the lease agreement in relation to the Premises, the principal terms of which are set out in the section headed “THE NEW LEASE AGREEMENT” in this announcement

“Premises”	30/F, Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 8 December 2023

*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 Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 Company Announcements” 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).*