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## **MODERN BEAUTY SALON HOLDINGS LIMITED**

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

**(Stock code: 919)**

### **CONTINUING CONNECTED TRANSACTIONS — 2020 MASTER LEASE AGREEMENT**

**Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders**



#### **THE 2020 MASTER LEASE AGREEMENT**

Reference is made to the announcement of the Company dated 23 February 2017 and the circular of the Company dated 13 March 2017 in respect of the continuing connected transactions in relation to the 2017 Master Lease Agreement, pursuant to which the Group entered into the Existing Lease Agreements with the Owners for leasing certain premises from the Owners during the term of the 2017 Master Lease Agreement for the period ending on 31 March 2020.

Given that the 2017 Master Lease Agreement will expire on 31 March 2020 and the Group expects that the leasing arrangement contemplated under the 2017 Master Lease Agreement will continue after its expiry, on 20 February 2020, the Company entered into the 2020 Master Lease Agreement with the Lessor in relation to the continuance of the lease arrangements between the Group and the Owners for the three years ending 31 March 2023.

The Lessor is the holding company of various companies holding various properties in Hong Kong and other places in the world. Certain subsidiaries of the Lessor are the Owners.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Dr. Tsang, being an executive Director, Chairperson of the Board and a controlling Shareholder, held 677,247,942 issued Shares (representing approximately 74.88% of the issued share capital of the Company). The spouse of Dr. Tsang is interested in 650,000 issued Shares (representing approximately 0.072% of the issued share capital of the Company) as at the date of this announcement. By virtue of the Lessor being wholly owned by a family trust set up by Dr. Tsang, the Lessor is a connected person of the Company and the Leasing Arrangements will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the relevant highest percentage ratio (as defined under the Listing Rules) in respect of each of the Annual Caps is more than 25%, the Leasing Arrangements under the 2020 Master Lease Agreement are subject to the reporting, annual review, announcement, circular (including independent financial advice) and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The Independent Board Committee comprising all of the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened at which an ordinary resolution will be proposed to seek the Independent Shareholders' approval of, among other things, the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps. Since Dr. Tsang is materially interested in the 2020 Master Lease Agreement, she and her associates will be required to abstain from voting on the resolution to be proposed at the EGM to approve the 2020 Master Lease Agreement and the Annual Caps.

A circular containing, among other things, (i) details of the 2020 Master Lease Agreement and the Annual Caps; (ii) the recommendation of the Independent Board Committee in respect of the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice on the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps; (iv) a notice of the EGM; and (v) other information required under the Listing Rules will be despatched to the Shareholders on or before 11 March 2020.

# THE 2020 MASTER LEASE AGREEMENT

## Background

Reference is made to the announcement of the Company dated 23 February 2017 and the circular of the Company dated 13 March 2017 in respect of the continuing connected transactions in relation to the 2017 Master Lease Agreement, pursuant to which the Group entered into a number of separate lease agreements (“**Existing Lease Agreements**”, each a “**Existing Lease Agreement**”) with the Owners for leasing certain premises from the Owners during the term of the 2017 Master Lease Agreement for the period ending on 31 March 2020.

Given that the 2017 Master Lease Agreement will expire on 31 March 2020 and the Group expects that the leasing arrangement contemplated under the 2017 Master Lease Agreement will continue after its expiry, on 20 February 2020, the Company entered into the 2020 Master Lease Agreement with the Lessor in relation to the continuance of the lease arrangements between the Group and the Owners for the three years ending 31 March 2023.

Currently, the Existing Premises are being used in the ordinary and usual course of the business of the Group as its operating facilities (including but not limited to offices, retail shops, service centres and warehouses). The Group intends to continue to lease the Existing Premises in Hong Kong under the arrangement contemplated under the 2020 Master Lease Agreement. Set out below is a summary of the Existing Lease Agreements in respect of the Existing Premises which are expected to continue under the 2020 Master Lease Agreement:

Particulars of the Existing Premises	Present usage	Total rental paid for the year		Estimated	Fair
		ended 31 March	ended 31 March	total rental for the year ending 31 March	market rent (monthly) as at 1 January
		2018	2019	2020	2020
		HK\$	HK\$	HK\$	HK\$
		(Note 1)	(Note 1)	(Note 1)	(Note 1 and 2)

## Hong Kong Island

1.	Shop and Toilet Area on 1st Floor, Shop and Toilet Area on 2nd Floor, Lift and Staircase (No. 3) and Grease Trap Room on 1st Floor, 1st Floor Staircase for 2nd Floor, Lift and Staircase on 2nd Floor, Lift Machine Room for 1st to 2nd Floors on 3rd Floor, Signage Units Nos. 1 to 8 on Ground Floor, Signage Units Nos. 9 to 14 on 1st Floor, Store and Open Store on Ground Floor, The Grandeur, 47 Jardine’s Bazaar, Causeway Bay, Hong Kong	Service centre	7,446,000	5,452,824 (Note 3)	4,456,236 (Note 3)	360,000
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Particulars of the Existing Premises	Present usage	Total rental paid for the year ended 31 March		Estimated total rental for the year ending 31 March	Fair market rent (monthly) as at 1 January
		2018 HK\$ (Note 1)	2019 HK\$ (Note 1)	2020 HK\$ (Note 1)	2020 HK\$ (Note 1 and 2)
2. 1/F, (including its Flat Roof and Stair-Entrance on Ground Floor), King Kwong Mansion, No. 8 King Kwong Street, Happy Valley, Hong Kong	Service centre	785,400	785,400	785,400	68,000
3. Portion B of Basement of Hang Ying House, Nos. 318–328 King’s Road, Hong Kong	Service centre	—	—	1,336,200 (Note 4)	110,000
4. Portion B of Shop C on Ground Floor and Shop E on Basement, King’s View Court, 901–907 King’s Road, Quarry Bay, Hong Kong	Service centre	2,550,000	2,550,000	2,550,000	240,000
5. 3/F., Causeway Bay Commercial Building, No. 3 Sugar Street, Causeway Bay, Hong Kong	Service centre	2,550,000	2,550,000	2,550,000	250,000
6. Room 301–305, 3/F., On Lok Yuen Building, Nos. 25, 27 & 27A Des Voeux Road Central, Hong Kong	Service centre	—	1,224,000 (Note 5)	1,468,800	136,000
7. Room 1201–1203, 12/F., Silver Fortune Plaza, No. 1 Wellington Street, Central, Hong Kong	Service centre	—	1,640,500 (Note 6)	1,968,600	172,000
8. 5/F., World Trust Tower, Nos. 50 Stanley Street, Central, Hong Kong	Service centre	—	829,600 (Note 7)	1,244,400	100,000
9. Unit 2A, 2/F, Winner House, Nos. 310 King’s Road, North Point, Hong Kong	Service centre	—	—	500,000 (Note 8)	138,000
<b>Kowloon</b>					
10. Workshop Nos. 11–13, 32B, 33B, 50–71 and Store Room No.10 on 6th Floor and Lorry Car Parking Space Nos. L8, L14 and L15 on Basement, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay (Note 9)	Office and warehouse	6,018,000	4,186,200 (Note 10)	2,998,152 (Note 11)	190,000
11. 3rd and 4th Floor (including Flat Roof) BCC Building, Nos 25–31 Carnarvon Road, Kowloon, Hong Kong	Service centre	3,876,000	3,876,000	3,876,000	340,000

Particulars of the Existing Premises	Present usage	Total rental paid for the year ended 31 March		Estimated total rental for the year ending 31 March	Fair market rent (monthly) as at 1 January
		2018 HK\$ (Note 1)	2019 HK\$ (Note 1)	2020 HK\$ (Note 1)	2020 HK\$ (Note 1 and 2)
12. 2nd Floor Commercial Unit with 2nd Floor Advertising Space of Paradise Square, 3 Kwong Wa Street, Kowloon, Hong Kong (Note 12)	Service centre	6,177,624	4,116,240 (Note 13)	2,121,387 (Note 14)	230,000
13. Shop No.5 on Ground Floor, Paradise Square, 3 Kwong Wa Street, Kowloon, Hong Kong	Retail shop	146,376	146,376	146,376	16,000
14. Units C1, C2, D1, D2, E1 & E2, 16/F, TG Place, No. 10 Shing Yip Street, Kowloon	Service centre	1,632,000	1,632,000	1,632,000	160,000
15. 16/F & LAVATORIES, Oriental Central Nos. 67-71 Chatham Road South, Kowloon, Hong Kong	Service centre	—	354,450 (Note 15)	1,417,800	138,000
<b>New Territories</b>					
16. 18th Floor, Hou Feng Industrial Building, Nos.1-5 Wing Kin Road, Kwai Chung, New Territories	Warehouse	744,600	744,600	744,600	62,000
17. 1st Floor (with flat roof adjacent thereto) and Covered Air-conditioned Plant Shelter on the 2nd Floor, Len Fat Mansion, Nos. 56-86 Kin Yip Street, Yuen Long, New Territories	Service centre	1,938,000 (Note 16)	1,938,000 (Note 16)	1,938,000 (Note 16)	157,000
18. Units B74-B90, B99-B116, B132-B136, 1/F., The Commercial Accommodation of Well On Garden, No. 9 Yuk Nga Lane, Tseung Kwan O, New Territories	Service centre	1,938,000	1,938,000	1,938,000	130,000
		35,802,000	33,964,190	33,671,951	2,997,000
		35,802,000	33,964,190	33,671,951	2,997,000 per month

*Notes:*

1. Exclusive of rates, government rent and management fees.
2. The monthly fair market rent is based on the preliminary view of an independent property valuer.
3. The monthly rent had been reduced during the year ended 31 March 2019.

4. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2020.
5. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2019.
6. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2019.
7. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2019.
8. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2020.
9. The total rental paid for the respective years ended 31 March 2018 and 2019 and the year ending 31 March 2020 comprised rental paid for the Existing Premise and another part of premise which was surrendered to the relevant Owner on 1st February 2020.
10. The monthly rent had been reduced during the year ended 31 March 2019.
11. The monthly rent had been further reduced during the year ended 31 March 2020.
12. The total rental paid for the respective years ended 31 March 2018 and 2019 and the year ending 31 March 2020 comprised rental paid for the Existing Premise and another part of premise which was surrendered to the relevant Owner on 14 July 2019.
13. The monthly rent had been reduced during the year ended 31 March 2019.
14. The monthly rent had been further reduced during the year ended 31 March 2020.
15. The relevant Existing Lease Agreement was entered into in the year ended 31 March 2019.
16. The total rental paid for the respective years ended 31 March 2018 and 2019 and the year ending 31 March 2020 comprised rental paid for the Existing Premise and another part of premise the lease of which will not continue after 31 March 2020.
17. All the above leases will expire on 31 March 2020.

Depending on the then operation needs of the Group and market conditions and subject to vacant possession of such premises, the Group may lease certain New Premises from the Owners under the arrangements contemplated under the 2020 Master Lease Agreement and as at the date of this announcement, the Company has identified a New Premises which may be leased from the relevant Owner. A summary of such New Premises is set out as follows:

<b>New Premises</b>	<b>Intended usage</b>	<b>Prevailing monthly market rent as at 1 January 2020 HK\$ (Note)</b>
1/F, 44–46 Carnarvon Road, Tsim Sha Tsui, Kowloon, Hong Kong	Service centre	<u>60,000</u>
	Total (per month):	<u><u>60,000</u></u>

*Note:* The quoted prevailing monthly market rent is based on the preliminary view of an independent property valuer.

Since the Group intends to continue to lease the above Existing Premises and may lease the above New Premises and, if appropriate, other New Premises from the Owners as its operating facilities (including but not limited to offices, retail shops, service centres and warehouses) and anticipates that it will enter into new leases during the ordinary and usual course of the Group’s business during the three years ending 31 March 2023, the Company and the Lessor entered into the 2020 Master Lease Agreement on 20 February 2020 to set out the principal terms and conditions governing the Leasing Arrangements in the future.

### **Date of the 2020 Master Lease Agreement**

20 February 2020

### **Parties to the 2020 Master Lease Agreement**

#### ***The Lessor and the Company***

The relationship between the Lessor and the Company is more particularly described in the paragraph headed “Listing Rules Implications” in this announcement below.

## **Subject Matter**

Pursuant to the 2020 Master Lease Agreement, the Group will enter into separate lease agreements to lease certain premises (which are expected to comprise the Existing Premises, the New Premises identified above and some other additional New Premises (if any)) from the relevant Owners from time to time during the term of the 2020 Master Lease Agreement.

## **Conditions**

The 2020 Master Lease Agreement and the Leasing Arrangements are conditional upon:

1. the passing of an ordinary resolution by the Independent Shareholders at the EGM approving the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps; and
2. (if required) all requisite waivers, consents and approvals from any relevant governments or regulatory authorities in Hong Kong or other jurisdictions (if applicable) or other relevant third parties in connection with the Leasing Arrangements under the 2020 Master Lease Agreement required to be obtained on the part of the Group having been obtained.

If the conditions above shall not have been fulfilled on or before the Long Stop Date, the 2020 Master Lease Agreement shall cease and terminate, save and except for certain provisions in relation to costs and expenses and miscellaneous matters which shall remain in full force and effect.

## **Duration**

Subject to fulfillment of the above conditions on or before the Long Stop Date, the 2020 Master Lease Agreement shall be for a term commencing from 1 April 2020 and ending on 31 March 2023. In addition, the 2020 Master Lease Agreement may be terminated by the Company by giving the Lessor at least sixty days' written notice of termination.

Subject to fulfillment of the above conditions on or before the Long Stop Date, each of the Leasing Arrangements to be entered into between the Group and the relevant Owners pursuant to the 2020 Master Lease Agreement will have a term commencing on or after 1 April 2020 and expiring on or before (i) the expiration or earlier termination of its own term or (ii) 31 March 2023, whichever is earlier.



## Consideration and other terms

Pursuant to the 2020 Master Lease Agreement, each Leasing Arrangement shall be on normal commercial terms or better (within the meaning of Chapter 14A of the Listing Rules) and the amount of rental (exclusive of rates, government rent and management fees) under each Leasing Arrangement shall be determined by the parties to each Leasing Arrangement with reference to the then prevailing market rents on premises comparable in location, area and permitted use (“**Comparable Premises**”) provided that before each Leasing Arrangement is entered into, the Group shall, at its own cost and expenses, obtain a confirmation from an independent property valuer providing its opinion of the then prevailing market rent of the premises with reference to the market rent of the Comparable Premises and the rent to be set out in the relating Leasing Arrangement shall be no more than such prevailing market rent and the effective date of the opinion shall not be more than three months.

The rates, government rent and management fee under each Leasing Arrangement will be paid to the government or, as the case may be, the management companies by the relevant tenant direct.

## The Annual Caps

The amount of rents paid and payable to the Owners under the Existing Lease Agreements in respect of the Existing Premises as mentioned in the paragraph headed “Background” above, the leases of which are expected to continue, for the year ending 31 March 2020 is estimated to be approximately HK\$34 million. For the three years ending 31 March 2020, the rental paid/payable to the Owners of each Existing Premises were at a discount to the then identified prevailing market rent.

Based on the opinion of the independent property valuer, the aggregate prevailing monthly rent of the Existing Premises and the New Premises identified above, in each case, as at 1 January 2020 is HK\$3,057,000. On such basis, the annual rent for leasing such premises is thus HK\$36,684,000.

Taking into account the fact that (i) the Group intends to continue to lease the Existing Premises mentioned above; and (ii) the Group may lease the New Premises identified above and other additional New Premises to be identified, in each case, for its own use during the three years ending 31 March 2023, it is expected that the Annual Cap in respect of the Leasing Arrangements as contemplated under the 2020 Master Lease Agreement for the year ending 31 March 2021, the year ending 31 March 2022 and the year ending 31 March 2023 will not exceed HK\$41 million, HK\$41 million and HK\$41 million, respectively. These Annual Caps were determined after taking into account (i) the prevailing market rents of the relevant Existing Premises and the New Premises identified above; and (ii) a buffer of approximately 10% for rental payments in respect of additional New Premise(s) which may be leased from the Owners during the term of the 2020 Master Lease Agreement.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CONTINUING CONNECTED TRANSACTIONS**

The Group is a renowned beauty salon group in Hong Kong offering comprehensive beauty and wellness services and sales of skincare and wellness products at its network of service centres in Hong Kong, mainland China and Singapore. As mentioned above, given that it has been the intention of the Group to continue to lease the Existing Premises and lease some other premises (including the New Premises mentioned above) from the Owners for its own use, the Company considers that the entering into of the 2020 Master Lease Agreement will shelter the Group from any potential loss which may be resulted from relocation of its existing beauty and wellness centres in the event that the relevant Existing Lease Agreements are not renewed upon their expiry. In addition, the Company is of the view that the 2020 Master Lease Agreement would enable the Group to lease New Premises from the Owners at market prices from time to time during the term of the 2020 Master Lease Agreement, which would provide the Group with operational convenience to expand its network of service centres when business opportunities arise.

Having considered the above, the Directors (excluding the independent non-executive Directors whose opinion will be rendered and stated in the circular to be despatched after taking into account the advice from the Independent Financial Adviser) are of the view that the terms of the 2020 Master Lease Agreement and the Annual Caps are fair and reasonable and the entering into of the 2020 Master Lease Agreement is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Lessor is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding.

As at the date of this announcement, Dr. Tsang, being an executive Director, Chairperson of the Board and a controlling Shareholder, held 677,247,942 issued Shares (representing approximately 74.88% of the issued share capital of the Company). The spouse of Dr. Tsang is interested in 650,000 issued Shares (representing approximately 0.072% of the issued share capital of the Company) as at the date of this announcement. By virtue of the Lessor being wholly owned by a family trust set up by Dr. Tsang, the Lessor is a connected person of the Company and the Leasing Arrangements will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the relevant highest percentage ratio (as defined under the Listing Rules) in respect of each of the Annual Caps is more than 25%, the Leasing Arrangements under the 2020 Master Lease Agreement are subject to the reporting, annual review, announcement, circular (including independent financial advice) and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The Independent Board Committee comprising all of the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened at which an ordinary resolution will be proposed to seek the Independent Shareholders' approval of, among other things, the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps. Since Dr. Tsang is materially interested in the 2020 Master Lease Agreement, she and her associates will be required to abstain from voting on the resolution to be proposed at the EGM to approve the 2020 Master Lease Agreement and the Annual Caps. To the best of the Directors' knowledge, information and belief, no other Shareholder is required to abstain from voting on the resolution(s) to approve the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps.

A circular containing, among other things, (i) details of the 2020 Master Lease Agreement and the Annual Caps; (ii) the recommendation of the Independent Board Committee in respect of the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice on the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps; (iv) a notice of the EGM; and (v) other information required under the Listing Rules will be despatched to the Shareholders on or before 11 March 2020.

## **DEFINITIONS**

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“2017 Master Lease Agreement”	the agreement dated 23 February 2017 entered into between the Company and the Lessor in respect of the Existing Premises
“2020 Master Lease Agreement”	the agreement dated 20 February 2020 entered into between the Company and the Lessor in respect of the Leasing Arrangements for the three years ending 31 March 2023

“Annual Caps”	the maximum consideration payable by the Group to the Lessor and/or the Owners (as the case may be) under the Leasing Arrangements pursuant to the 2020 Master Lease Agreement for the year ending 31 March 2021, the year ending 31 March 2022 and the year ending 31 March 2023 in the amount of HK\$41 million, HK\$41 million and HK\$41 million, respectively
“associate(s)”	has the meaning as ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Modern Beauty Salon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 919)
“Director(s)”	the director(s) of the Company
“Dr. Tsang”	Dr. Tsang Yue, Joyce, an executive Director, Chairperson of the Board and a controlling Shareholder (within the meaning of the Listing Rules)
“EGM”	an extraordinary general meeting of the Company to be convened and held to, among other matters, consider and, if thought fit, approve the Leasing Arrangements pursuant to the 2020 Master Lease Agreement and the Annual Caps
“Existing Premises”	the properties owned by the Owners in Hong Kong and/or other place(s) in the world currently leased to the Group under the Existing Lease Agreements and are expected to continue as disclosed in the paragraph headed “Background” in this announcement, each a “Existing Premise”
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	an independent board committee, comprising all of the independent non-executive Directors, namely, Ms. Liu Mei Ling, Rhoda, Dr. Wong Man Hin, Raymond, Mr. Hong Po Kui, Martin and Mr. Lam Tak Leung, established to advise the Independent Shareholders in respect of the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps
“Independent Financial Adviser”	VBG Capital Limited (建泉融資有限公司), a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps
“Independent Shareholder(s)”	the Shareholder(s), other than those who are required by the Listing Rules to abstain from voting on the resolution approving the Leasing Arrangements under the 2020 Master Lease Agreement and the Annual Caps, being Dr. Tsang and her associates
“Leasing Arrangements”	the leasing of the premises by the Group from the Owners pursuant to the 2020 Master Lease Agreement by the entering into a tenancy or lease agreement in respect of such premises between any member of the Group and the relevant Owner
“Lessor”	Asia Power Global Limited, a company with limited liability incorporated in the British Virgin Islands and is wholly owned by a family trust set up by Dr. Tsang
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2020
“New Premises”	the properties owned or which may be acquired by the relevant Owner(s) which the Group may lease from such Owner(s) during the term of the 2020 Master Lease Agreement
“Owners”	subsidiaries of the Lessor from time to time which are or may become the owners of the Existing Premises and the New Premises and “Owner” shall mean any of them

“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
‘Shareholder(s)’	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

On behalf of the Board  
**Modern Beauty Salon Holdings Limited**  
**Dr. Tsang Yue, Joyce**  
*Chairperson*

Hong Kong, 20 February 2020

*As at the date of this announcement, the Board consists of three executive Directors, Dr. Tsang Yue, Joyce, Mr. Yip Kai Wing and Ms. Yeung See Man and four independent non-executive Directors, Ms. Liu Mei Ling, Rhoda, Dr. Wong Man Hin, Raymond, Mr. Hong Po Kui, Martin and Mr. Lam Tak Leung.*