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**YesAsia Holdings Limited**

**喆麗控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 2209)**

**DISCLOSEABLE TRANSACTION  
IN RESPECT OF RENEWAL OFFER LETTER  
FOR THE LEASE OF HEAD OFFICE**

**RENEWAL OF THE LEASE OF HEAD OFFICE**

The Board is pleased to announce that on 29 July 2022 (after trading hours), YesAsia.com as the tenant entered into the Renewal Offer Letter with the Landlord to renew the Existing Lease for a term of four years from 15 February 2023 to 14 February 2027 (both days inclusive).

**IMPLICATION UNDER THE LISTING RULES**

In accordance with HKFRS 16, the Group will be required to recognise the value of the right-of-use asset in the consolidated statement of financial position in respect of the Premises from the commencement of the Renewed Term. Accordingly, the transaction contemplated under the Renewal Offer Letter will be regarded as an acquisition of assets by the Group for the purpose of Rule 14.04(1)(a) of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) calculated based on the value of the right-of-use asset to be recognised by the Company according to HKFRS 16 exceeds 5% but all of them are less than 25%, the transaction contemplated under the Renewal Offer Letter constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

**RENEWAL OF THE LEASE OF HEAD OFFICE**

The Board is pleased to announce that on 29 July 2022 (after trading hours), YesAsia.com as the tenant entered into the Renewal Offer Letter with the Landlord to renew the Existing Lease for a term of four years from 15 February 2023 to 14 February 2027 (both days inclusive). The Renewal Offer Letter constitutes a valid and binding agreement between YesAsia.com and the Landlord for the renewal of the lease of the Premises on the terms and conditions as set out in the Renewal Offer Letter.

The principal terms of the Renewal Offer Letter are summarised as follows:

- Date : 29 July 2022
- Parties : (1) Landlord (as landlord); and  
(2) YesAsia.com (as tenant).
- Premises : The Premises, being office units on 5th Floor and units C and D on 8th Floor, KC100, 100 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong.
- Lease term : 48 months commencing on 15 February 2023 and expiring on 14 February 2027 (both days inclusive).
- Rent : The rent payable for the Premises (exclusive of management charges, rates and other outgoings, which are separately payable by YesAsia.com) during the Renewed Term is HK\$913,680 per month during which there are lease incentive of rent-free period of four months (during which rates, air-conditioning and management charges shall be payable by YesAsia.com).  
  
The aggregate amount of rent payable (exclusive of management charges, rates and other outgoings, which are separately payable by YesAsia.com) under the Renewal Offer Letter is HK\$40,201,920 and will be financed by internal resources of the Group.
- Deposit : HK\$3,416,021, being equivalent to the aggregated three months of rent, rates, air-conditioning and management charges under the new lease of the Premises for the Renewed Term, shall be transferred from the relevant deposits paid by YesAsia.com under the Existing Lease.

## **INFORMATION OF THE GROUP AND THE LANDLORD**

The Group is an online retailer headquartered in Hong Kong which engages in the procurement and sale of third-party branded and unbranded Asian fashion & lifestyle, beauty and entertainment products to customers around the world.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Landlord is principally engaged in industrial property development; (ii) the sole ultimate beneficial owner of the Landlord is Mr. Li Sau Hung, Eddy; and (iii) the Landlord and its sole ultimate beneficial owner are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE RENEWAL OFFER LETTER**

The Group is currently leasing the Premises with an aggregate area of approximately 38,070 square feet as head office, and the Existing Lease will expire on 14 February 2023. The Directors are of the view that it is in the interests of the Company to enter into the Renewal Offer Letter to renew the lease of the Premises now having considered that (i) the Group would be able to maintain a stable head office for its business operations in Hong Kong; (ii) it would be cost-efficient to maintain the Group's operations in the Premises to save relocation and renovation costs; and (iii) the monthly rental of the Premises under the Renewal Offer Letter is fair and reasonable in view of the prevailing market conditions. The terms of the Renewal Offer Letter, including the rent, were determined after arm's length negotiations between the parties and with reference to the open market rent of comparable office properties in comparable locations and sizes. The entering into of the Renewal Offer Letter is desirable for continuing the business operations of the Group at the Premises and is in the ordinary and usual course of business of the Group.

Taking into account of the above, the Board considers that the terms of the Renewal Offer Letter are on normal commercial terms and are fair and reasonable, and that the entering into of the Renewal Offer Letter is in the interests of the Group and the Shareholders as a whole.

## **THE RIGHT-OF-USE ASSET**

Pursuant to HKFRS 16 "Leases", the Group will recognise a right-of-use asset in respect of the Renewal Offer Letter upon commencement of the Renewed Term. The unaudited value of the right-of-use asset to be recognised by the Group in connection with the Renewal Offer Letter is estimated to be approximately HK\$42.7 million, which is the present value of the aggregate lease payments, less lease incentive and plus initial direct costs with the Renewal Offer Letter during the Renewed Term in accordance with HKFRS 16, discounted using the incremental borrowing rate of the Group as at the date of the Renewal Offer Letter.

## **IMPLICATIONS UNDER THE LISTING RULES**

In accordance with HKFRS 16, the Group will be required to recognise the value of the right-of-use asset in the consolidated statement of financial position in respect of the Premises from the commencement of the Renewed Term. Accordingly, the transaction contemplated under the Renewal Offer Letter will be regarded as an acquisition of assets by the Group for the purpose of Rule 14.04(1)(a) of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Chapter 14 of the Listing Rules) calculated based on the value of the right-of-use asset to be recognised by the Company according to HKFRS 16 exceeds 5% but all of them are less than 25%, the transaction contemplated under the Renewal Offer Letter constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements but exempted from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Company”	YesAsia Holdings Limited (喆麗控股有限公司), a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 2209)
“Director(s)”	director(s) of the Company
“Existing Lease”	lease arrangement under the tenancy agreement dated 13 December 2019 entered into between the Landlord (as landlord) and YesAsia.com (as tenant) in respect of the Premises, under which the Landlord shall lease to YesAsia.com the Premises for a fixed term of thirty-six (36) months commencing from 15 February 2020 to 14 February 2023 (both days inclusive) with an option to renew for another thirty-six (36) months (both days inclusive)
“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
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of the Company and its connected person(s) (as defined in the Listing Rules)
“Landlord”	Golden Master Holdings Limited (金寶集團有限公司), a company incorporated in Hong Kong with limited liability, whose sole ultimate beneficial owner is Mr. Li Sau Hung, Eddy
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Premises”	Office units on 5th Floor and units C and D on 8th Floor, KC100, 100 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong
“Renewal Offer Letter”	the renewal offer letter entered into between YesAsia.com (as tenant) and the Landlord (as landlord) on 29 July 2022 for the renewal of the lease of the Premises
“Renewed Term”	48 months commencing on 15 February 2023 and expiring on 14 February 2027 (both days inclusive)
“Shareholders”	holders of the shares in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed thereto under the Listing Rules, and “subsidiaries” shall be construed accordingly

“YesAsia.com”

YesAsia.com Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“%”

per cent

By order of the Board  
**YESASIA HOLDINGS LIMITED**  
**Ng Sai Cheong**  
*Company Secretary*

Hong Kong, 29 July 2022

*As of the date of this announcement, the executive Directors are Mr. LAU Kwok Chu, Ms. CHU Lai King, and Mr. CHU Kin Hang; the non-executive Directors are Mr. HUI Yat Yan Henry, Mr. LUI Pak Shing Michael, and Mr. POON Chi Ho; the independent non-executive Directors are Mr. CHAN Yu Cheong, Mr. SIN Pak Cheong Philip Charles, and Mr. WONG Chee Chung.*