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Artini Holdings Limited

雅天妮集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 789)

DISCLOSEABLE TRANSACTION IN RELATION TO THE LEASE AGREEMENT

LEASE AGREEMENT

The Board is pleased to announce that on 5 December 2023, the Company entered into the Lease Agreement as tenant with the Agent as agent for the Landlord in respect of the lease of the Premises for a term of three years commencing from 15 December 2023 to 14 December 2026 (both days inclusive) for use as the Group's head office and principal place of business in Hong Kong.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, the Company needs to recognize the right to use the Premises as an acquisition of asset. As one or more than one of the applicable percentage ratios (as defined in the Listing Rules) calculated based on the value of the right-of-use asset recognized by the Group in respect of the rental payable under the Lease Agreement is more than 5% and below 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirement but exempt from Shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 5 December 2023, the Company entered into the Lease Agreement as tenant with the Agent as agent for the Landlord in respect of the lease of the Premises for a term of three years commencing from 15 December 2023 to 14 December 2026 (both days inclusive) for use as the Group's head office and principal place of business in Hong Kong.

PRINCIPAL TERMS OF THE LEASE AGREEMENT

Date:	5 December 2023
Landlord:	City Lion Investment Limited, a company incorporated under the laws of the British Virgin Islands with limited liability.
Agent for the Landlord:	Sun Hung Kai Real Estate (Sales and Leasing) Agency Limited
Tenant:	Artini Holdings Limited
Premises:	Unit No. 8502 on Level 85 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
User:	Restricted to use the Premises as office premises only.
Term:	Three years fixed term commencing on 15 December 2023 and expiring on 14 December 2026 (both days inclusive).
Monthly rental:	HK\$231,552 per calendar month payable in advance (exclusive of air-conditioning and management charges, government rates and other outgoings).
Rent-free period:	The Tenant will be entitled to the rent-free period from 15 December 2023 to 14 February 2024 (both days inclusive). The Tenant shall continue to pay all air-conditioning and management charges, government rates and other outgoings during such rent-free period(s).

Government rates:	To be borne by the Tenant, which currently at HK\$34,000.84 per quarter (subject to Rating and Valuation Department's final confirmation).
Air-conditioning and management charges:	HK\$33,124.80 per month subject to revision from time to time.
Deposit:	HK\$828,031.24, being the aggregate of three months' rent, air-conditioning and management charges and government rates.
Handover condition:	Upon commencement of the tenancy period, the Premises shall be delivered to the Tenant hereunder in a "bare shell" state and condition with the following provisions. Upon expiry or earlier termination of the Term, the Tenant shall at its own cost reinstate the Premises to a "bare shell" state.

RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, the tenancy of the Premises will be recognized as right-of-use assets for an amount of approximately HK\$7.2 million, which is calculated with reference to the present value of the aggregated lease payments to be made under the Lease Agreement.

REASONS FOR AND BENEFITS OF THE LEASE AGREEMENT

The Premises will be use as the Group's head office and principal place of business in Hong Kong. The Directors are of the view that it is in the interests of the Group to enter into Lease Agreement. The Premises is more spacious than the Company's current office in Hong Kong, allowing for the accommodation of a larger workforce and operational capacity. This expanded space provides the necessary infrastructure to support the Company's growth. Additionally, the location of the Premises is in close proximity to the high-speed rail station at West Kowloon and the airport express at the Kowloon Station, offering convenience and facilitating travel for the management of the Group between Hong Kong and the PRC in the future. Furthermore, the strategic location of the Premises provides access to a dynamic business community and opportunities for business development. The surrounding area offers a vibrant environment with potential networking prospects, collaborations, and synergies to further enhance the Company's growth and success.

The rental terms of the Lease Agreement was arrived after arm's length negotiations between the parties and determined after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises.

The Directors considered that the transaction contemplated under the Lease Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the Lease Agreement were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company is an investment holding company incorporated in Bermuda with limited liability. The Group is principally engaged in fashion accessories business at the date of this announcement.

Based on the information available to the Company, the Landlord is a company incorporated in British Virgin Islands with limited liability and is principally engaged in property investment.

Based on the information available to the Company, the Agent for the Landlord is a company incorporated in Hong Kong with limited liability and is principally engaged in real estate and general agencies.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Landlord, the Agent and their respective ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined in the Listing Rules) calculated based on the value of the right-of-use asset recognized by the Group in respect of the Lease Agreement is more than 5% and below 25%, the transaction contemplated under the Lease Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirement but exempt from Shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Agent”	Sun Hung Kai Real Estate (Sales and Leasing) Agency Limited, a company incorporated in Hong Kong with limited liability
“Board”	the board of Directors
“Company” or “Tenant”	Artini Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 789)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standards 16 “Leases” which includes standards and interpretations promulgated by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third parties independent of the Company and its connected persons (as defined under the Listing Rules)
“Landlord”	City Lion Investment Limited, a company incorporated in British Virgin Islands with limited liability
“Lease Agreement”	the lease agreement dated 5 December 2023 entered into between the Company as the tenant and the Agent as agent for the Landlord in relation to the lease of the Premises

“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Premises”	Unit No. 8502 on Level 85 of International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
“Shareholder(s)”	holder(s) of ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Artini Holdings Limited
Chen Long
Chairman and executive Director

Hong Kong, 5 December 2023

As at the date of this announcement, the executive Directors are Mr. Chen Long (Chairman), Mr. Tse Hoi Chau, Mr. Chen Shaojia (Chief Executive); and the independent non-executive Directors are Mr. Yuen Wai Kin, Mr. Lau Yiu Kit and Mr. Ma Sai Yam.