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e p i c u r e a n | 惟膳  
**Epicurean and Company, Limited**  
**惟膳有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8213)**

**DISCLOSEABLE TRANSACTION –  
ACQUISITION OF SHARES OF TOMATO BOOKS CO., LIMITED**

On 30 November 2012 (after the trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchaser has agreed to purchase from the Vendors at the Aggregate Consideration: (i) the Sale Shares, representing 100% of the existing issued share capital of the Target and (ii) the Shareholder's Loan.

As the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to reporting and announcement requirements under the GEM Listing Rules.

**A. THE SALE AND PURCHASE AGREEMENT**

On 30 November 2012 (after the trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendors. The principal terms of the Sale and Purchase Agreement are set out below:

**Date**

30 November 2012

## **Parties**

Vendors: Ms. Morishige, Mr. Shimada and Mr. Saito

Purchaser: Mark Limited, an indirect wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Vendors are Independent Third Parties.

## **Assets to be acquired**

Pursuant to the Sale and Purchase Agreement, (i) the Purchaser shall purchase and each of Ms. Morishige, Mr. Shimada and Mr. Saito shall sell as a legal and beneficial owner of the Morishige Sale Shares, Shimada Sale Shares and Saito Sale Shares respectively, representing 100% of the existing issued share capital of the Target; and (ii) Mr. Shimada shall assign the Shareholder's Loan to the Purchaser.

## **Consideration**

The Aggregate Consideration is HK\$510,000, which shall be payable by the Purchaser to the Vendors in the following manner:

- (a) a sum of HK\$5,000 shall be payable to Ms. Morishige for the acquisition of Morishige Sale Shares upon Completion;
- (b) a sum of HK\$4,900 shall be payable to Mr. Shimada for the acquisition of Shimada Sale Shares upon Completion;
- (c) a sum of HK\$100 shall be payable to Mr. Saito for the acquisition of Saito Sale Shares upon Completion; and
- (d) a sum of HK\$500,000 shall be payable to Mr. Shimada upon Completion for the assignment of the Shareholder's Loan.

The Aggregate Consideration for the Acquisition was determined after arm's length negotiations based on normal commercial terms with reference to the nominal value of the Sale Shares and the outstanding amount of the Shareholder's Loan as at 30 September 2012.

Based on the unaudited financial information provided by the Vendors, the Shareholder's Loan calculated up to 30 September 2012 was approximately HK\$2,174,000.

The Company intends to finance the Acquisition by its internal resources.

## Conditions Precedent

Completion of the Acquisition is conditional upon the satisfaction of the following Conditions Precedent:

- (a) the Vendors having facilitated the Purchaser to undertake a legal, financial, operational, tax accounting and business due diligence investigation in respect of the Target, and the results of which are satisfactory to the Purchaser;
- (b) all applicable law, rules and regulations (including but without limitation to the GEM Listing Rules) for entering into the transactions contemplated under the Transaction Documents having been complied with;
- (c) all necessary approvals in respect of the transactions contemplated under the Transaction Documents having been obtained;
- (d) the warranties given by the Vendors under the Sale and Purchase Agreement remaining true and accurate in all material respects and not misleading in any material respect immediately prior to completion by reference to the facts and circumstances subsisting immediately prior to completion; and
- (e) there has been no material adverse change of the Target immediately prior to the Completion.

The Purchaser may, by written notice to the Vendors, waive or modify compliance with any of the above Conditions Precedent (except the Conditions Precedent set out in paragraphs (b) and (c) above) in whole or in part at any time on or before the Conditions Fulfilment Date.

If one or more of the above Conditions Precedent remains not satisfied by the Conditions Fulfilment Date (or such later date as the Vendors and the Purchaser may agree in writing) and has not been waived on or before that date; or becomes impossible to satisfy on or before the Conditions Fulfilment Date (or such later date as the Vendors and the Purchaser may agree in writing), the Sale and Purchase Agreement shall automatically be terminated with immediate effect and each party's rights and obligations under the Sale and Purchase Agreement shall cease immediately on termination.

Completion shall take place within 3 Business Days after the date on which all the Conditions Precedent set out above have been fulfilled or waived by the Purchaser in accordance with the terms of the Sale and Purchase Agreement (or on such later date as the parties may agree in writing).

## B. INFORMATION ON THE TARGET

The Target was incorporated on 11 June 1999 with limited liability in Hong Kong, having an issued share capital of 10,000 ordinary shares with a nominal value of HK\$1.00 each, which were fully paid up. It owns and operates a bookstore under the business name of “Tomato Books”, which is currently located at Tsimshatsui, Kowloon, Hong Kong.

Set out below is the financial information of the Target:

	<b>For the financial year ended 28 February 2011 <i>(audited)</i> <i>(approximate)</i> HK\$</b>	<b>For the financial year ended 29 February 2012 <i>(audited)</i> <i>(approximate)</i> HK\$</b>	<b>For the seven months ended 30 September 2012 <i>(unaudited)</i> <i>(approximate)</i> HK\$</b>
Net losses before taxation	202,000	495,000	72,000
Net losses after taxation	202,000	495,000	72,000

According to the unaudited management accounts of the Target, the net liability of the Target as at 30 September 2012 was approximately HK\$1,814,000, comprising the Shareholder’s Loan in the sum of approximately HK\$2,174,000. If the Shareholder’s Loan was not counted in the calculation, the Target would have an unaudited net asset value of approximately HK\$360,000 as at 30 September 2012.

Upon completion of the Acquisition, the Target will become an indirect wholly-owned subsidiary of the Company and its financial statements will be consolidated into the Group.

## **C. REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group is principally engaged in the food and beverage business. The Board is of the view that the image of the bookstore operated by the Target can ally well with the restaurants, café and cake shops concepts in our portfolio. Giving the increasing popularity of bookstore café, the Acquisition presents an opportunity to the Group to unlock the business potential amid such a rising trend in the region. The bookstore could also serve as another channel to promote our brand recognition. The Board believes that the Acquisition would strengthen the Group's image as a multi-brand operator and would also enhance the Group's revenue stream.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder were negotiated on an arm's length basis between the parties and are on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders of the Company as a whole.

## **D. IMPLICATION UNDER THE GEM LISTING RULES**

As the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to reporting and announcement requirements under the GEM Listing Rules.

## **E. DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:-

“Acquisition”	the acquisition of the Sale Shares and the Shareholder's Loan pursuant to the Sale and Purchase Agreement
“Assignment of Loan”	the deed of assignment of the Shareholder's Loan to be executed by Mr. Shimada in favour of the Purchaser
“Aggregate Consideration”	the consideration for the acquisition of the Sale Shares and the Shareholder's Loan
“Board”	the board of Directors

“Business Day”	a day (other than Saturday) on which banks are generally open for business in Hong Kong
“Company”	Epicurean and Company, Limited (惟膳有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Growth Enterprise Market of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement
“Conditions Fulfilment Date”	31 December 2012 or such later date as may be agreed in writing by the parties to the Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to Completion as set out in the Sale and Purchase Agreement
“Connected Person”	has the meaning ascribed thereto in the GEM Listing Rules
“Directors”	directors of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Parties”	the third parties which, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, are independent of the Company and its Connected Persons

“Morishige Sale Shares”	the 5,000 ordinary shares in the Target held by Ms. Morishige, representing 50% of the entire issued share capital of the Target
“Mr. Saito”	Mr. Shigeru Saito
“Mr. Shimada”	Mr. Hiroshi Shimada (島田寛)
“Ms. Morishige”	Ms. Kayoko Morishige (森重香代子)
“Purchaser”	Mark Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Saito Sale Shares”	the 100 ordinary shares in the Target held by Mr. Saito, representing 1% of the entire issued share capital of the Target
“Sale Shares”	Morishige Sale Shares, Shimada Sale Shares and Saito Sale Shares, representing 100% of the issued share capital of the Target
“Sale and Purchase Agreement”	the sale and purchase agreement dated 30 November 2012 entered into between the Vendors and the Purchaser in respect of the sale and purchase of the Sale Shares and the Shareholder’s Loan
“Shimada Sale Shares”	the 4,900 ordinary shares in the Target held by Mr. Shimada, representing 49% of the entire issued share capital of the Target
“Shareholder’s Loan”	the loans owing by the Target to Mr. Shimada
“Shareholder(s)”	shareholder(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Tomato Books Co., Limited, a company incorporated in Hong Kong
“Transaction Documents”	the Sale and Purchase Agreement and the Assignment of Loan
“Vendors”	Ms. Morishige, Mr. Shimada and Mr. Saito
“%”	per cent

By Order of the Board  
**Epicurean and Company, Limited**  
**Tang Sing Ming Sherman**  
*Chairman*

Hong Kong, 30 November 2012

*As at the date of this announcement, the Company’s executive Director is Mr. Tang Sing Ming Sherman; the independent non-executive Directors are Mr. Bhanusak Asvaintra, Mr. Chan Kam Fai Robert and Mr. Chung Kwok Keung Peter.*

*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 the Growth Enterprise Market 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 GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*