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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)**

**CONTINUING CONNECTED TRANSACTION**

**RENEWAL OF TENANCY AGREEMENT**

Reference is made to the Announcement in respect of the Previous Tenancy Agreement entered into between Joint Allied as landlord and IT HK as tenant (an indirect wholly-owned subsidiary of the Company), pursuant to which the Property is leased for a term of two years from 1 November 2013 to 31 October 2015 at the monthly rental of HK\$114,251.

On 30 October 2015, IT HK and Joint Allied entered into the New Tenancy Agreement for a term of two years commencing on 1 November 2015 at the monthly rental of HK\$129,144. Since Joint Allied is a connected person of the Company, the transaction contemplated under the New Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 20 of the GEM Listing Rules.

However, the transactions contemplated under the New Tenancy Agreement, Qualifresh Tenancy Agreement and EMAL Tenancy Agreement are aggregated for the purpose of classification of connected transactions in accordance with Rule 20.79 of the GEM Listing Rules. The Aggregate Annual Caps for the three financial years of the Company ending 31 March 2018 will be set at HK\$3,242,000, HK\$4,142,000 and HK\$1,078,000 respectively. As all the applicable percentage ratios (as defined in the GEM Listing Rules) for the Aggregate Annual Caps are less than 5% and pursuant to Rule 20.74(2) of the GEM Listing Rules, the transactions contemplated under the New Tenancy Agreement, Qualifresh Tenancy Agreement and EMAL Tenancy Agreement are subject to reporting, announcement and annual review requirements but exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

## **INTRODUCTION**

Reference is made to the Announcement in respect of the Previous Tenancy Agreement entered into between Joint Allied as landlord and IT HK as tenant (an indirect wholly-owned subsidiary of the Company), pursuant to which the Property is leased for a term of two years from 1 November 2013 to 31 October 2015 at the monthly rental of HK\$114,251.

On 30 October 2015, IT HK and Joint Allied entered into the New Tenancy Agreement to renew the Previous Tenancy Agreement for a term of two years commencing on 1 November 2015 at the monthly rental of HK\$129,144. The principal terms of the New Tenancy Agreement are as follows:

## **NEW TENANCY AGREEMENT**

### **Date**

30 October 2015

### **Parties**

- (1) Joint Allied Limited as landlord
- (2) I. T. H. K. Limited as tenant

### **Premises**

Units G, H, I, J, K, L, M, N, O on 6/F, Wah Lik Industrial Centre, 459-469 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong and Lorry Car Parking Spaces 2 and 6 on 1/F, Wah Lik Industrial Centre, 459-469 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong.

### **Term of Tenancy**

For a term of two years commencing on 1 November 2015 and ending on 31 October 2017 (both dates inclusive).

### **Monthly Rent**

HK\$129,144 per calendar month (comprising HK\$119,144 for the Flats and HK\$10,000 for the Parking Spaces), payable on the first day of each month, exclusive of government rates, government rents, management fees and other outgoings.

### **Deposit**

HK\$258,288 representing two months' rental and is payable upon signing of the New Tenancy Agreement (of which a sum of HK\$228,502, being the deposit paid under the Previous Tenancy Agreement, will be transferred to the New Tenancy Agreement).

## ANNUAL CAPS

Based on the monthly rentals payable under the New Tenancy Agreement, the Annual Caps on the aggregate rentals payable by IT HK to Joint Allied under the New Tenancy Agreement in respect of (i) the five months ending 31 March 2016; (ii) the financial year of the Company ending 31 March 2017; and (iii) the seven months ending 31 October 2017 are set at approximately HK\$650,000, HK\$1,550,000 and HK\$910,000 respectively.

The total rental paid by IT HK to Joint Allied under the Previous Tenancy Agreement in respect of (i) the five months ended 31 March 2014; (ii) the financial year ended 31 March 2015; (iii) and the seven months ended 31 October 2015 were HK\$571,255, HK\$1,371,012 and HK\$799,757 respectively.

## REASONS FOR ENTERING INTO THE NEW TENANCY AGREEMENT

IT HK has been occupying the Flats as its office and cake factory for the restaurants, café and cake shops owned by the Group under the brand name “Italian Tomato” before the acquisition of Mark Limited and its subsidiaries (including IT HK) by the Group was completed on 20 August 2012. To avoid unnecessary business interruption, the Board considered that it is in the interest of the Group to retain the use of the Property and to renew the Previous Tenancy Agreement.

The terms of the New Tenancy Agreement have been arrived at arm’s length negotiations and are on normal commercial terms. The amounts of rent under the New Tenancy Agreement have been determined with reference to the historical rental amounts, the prevailing market price of the comparable properties in the same building where the Property is located, and the prevailing market conditions.

The Directors, including the independent non-executive Directors, consider that the New Tenancy Agreement has been entered into the ordinary and usual course of business of the Company, on normal commercial terms which are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

## EXISTING TENANCY AGREEMENTS

Reference is made to the announcements of the Company dated 1 April 2014 and 25 June 2014. The Company, through its wholly-owned subsidiaries, has previously entered into the EMAL Tenancy Agreement and Qualifresh Tenancy Agreement as tenants. The two landlords (i.e. Assets Partner Limited and Jebson Development Limited) under the EMAL Tenancy Agreement and Qualifresh Tenancy Agreement respectively are companies owned by Mr. Tang’s family trust in which Mr. Tang is one of the beneficiaries and hence the transactions under the EMAL Tenancy Agreement and Qualifresh Tenancy Agreement constitute continuing connected transactions for the Company under the GEM Listing Rules. The annual caps for the Qualifresh Tenancy Agreement and EMAL Tenancy Agreement for the three financial years of the Company ending 31 March 2018 are as follows:

	Year ending 31 March		
	2016 HK\$	2017 HK\$	2018 HK\$
EMAL Tenancy Agreement	1,872,000	1,872,000	nil
Qualifresh Tenancy Agreement	<u>720,000</u>	<u>720,000</u>	<u>168,000</u>
Total	<u><u>2,592,000</u></u>	<u><u>2,592,000</u></u>	<u><u>168,000</u></u>

## **LISTING RULE IMPLICATIONS**

Joint Allied is a company owned by Mr. Tang's family trust in which Mr. Tang, the executive Director and chairman of the Board, is one of the beneficiaries, and therefore is a connected person of the Company. Hence, the entering into the New Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 20 of the GEM Listing Rules. On a stand-alone basis, the New Tenancy Agreement is exempted from the reporting, announcement and independent shareholders' continuing connected transaction of the Company approval requirements under the GEM Listing Rules.

However, the transactions contemplated under the New Tenancy Agreement, Qualifresh Tenancy Agreement and EMAL Tenancy Agreement are aggregated for the purpose of classification of connected transactions in accordance with Rule 20.79 of the GEM Listing Rules. The Aggregate Annual Caps for the three financial years of the Company ending 31 March 2018 will be set at HK\$3,242,000, HK\$4,142,000 and HK\$1,078,000 respectively. As all the applicable percentage ratios (as defined in the GEM Listing Rules) for the Aggregate Annual Caps are less than 5% and pursuant to Rule 20.74(2) of the GEM Listing Rules, the transactions contemplated under the New Tenancy Agreement, Qualifresh Tenancy Agreement and EMAL Tenancy Agreement are subject to reporting, announcement and annual review requirements but exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Mr. Tang is considered to have a material interest in the New Tenancy Agreement, and therefore he has abstained from voting on the relevant board resolution to approve the New Tenancy Agreement.

## **GENERAL INFORMATION**

The Group is principally engaged in the food and beverage business. IT HK, an indirect wholly-owned subsidiary of the Company, is principally engaged in operating restaurants, café and cake shops under the brand name "Italian Tomato" and other related brand names.

Joint Allied is principally engaged in investment holding.

## **DEFINITIONS**

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

“Aggregate Annual Caps”	the aggregate annual caps for the rentals payable by the Group under the New Tenancy Agreement, Qualifresh Tenancy Agreement and EMAL Tenancy Agreement
“Announcement”	the announcement of the Company dated 31 October 2013
“Annual Caps”	the annual caps for the continuing connected transaction contemplated under the New Tenancy Agreement
“Board”	the board of Directors

“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 GEM
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	director(s) of the Company
“EMAL Tenancy Agreement”	the tenancy agreement dated 1 April 2014 entered into between Assets Partner Limited as the landlord and Epicurean Management (Asia) Limited (饕餮管理(亞洲)有限公司) as the tenant in respect of the office and ancillary areas on the 10th Floor of Silver Fortune Plaza, No. 1 Wellington Street, Central, Hong Kong for a term of three years commencing on 1 April 2014 and ending on 31 March 2017 at the monthly rental of HK\$156,000
“Flats”	Units G, H, I, J, K, L, M, N, O on 6/F, Wah Lik Industrial Centre, 459-469 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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
“IT HK”	I. T. H. K. Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Joint Allied”	Joint Allied Limited, a company incorporated in Hong Kong owned by Mr. Tang’s family trust
“Mr. Tang”	Mr. Tang Sing Ming Sherman, the executive Director and the chairman of the Board
“New Tenancy Agreement”	the tenancy agreement dated 30 October 2015 entered into between Joint Allied as landlord and IT HK as tenant in respect of the Property
“Parking Spaces”	Lorry Car Parking Spaces 2 and 6 on 1/F, Wah Lik Industrial Centre, 459-469 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong
“Previous Tenancy Agreement”	the tenancy agreement dated 31 October 2013 entered into between Joint Allied as landlord and IT HK as tenant in respect of the Property
“Property”	the Flats and the Parking Spaces

“Qualifresh Tenancy Agreement”	the tenancy agreement dated 25 June 2014 entered into between Jebson Development Limited as the landlord and Qualifresh Catering Limited as the tenant in respect of Units Nos. B, C, M, N, O, P on the fourth floor, Yue Cheung Centre, Nos. 1-3 Wong Chuk Yeung Street, Shatin, New Territories, Hong Kong and Light Van Parking Space No. LV14 on upper ground floor, Yue Cheung Centre, Nos. 1-3 Wong Chuk Yeung Street, Shatin, New Territories, Hong Kong for a term of three years commencing on 25 June 2014 and ending on 24 June 2017 at the monthly rental of HK\$60,000
“Shareholders”	shareholders of the Company
“subsidiary(ies)”	has the meaning ascribed thereto in the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 30 October 2015

*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.*

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