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HONG KONG FOOD INVESTMENT HOLDINGS LIMITED

香港食品投資控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 60)

DISCLOSEABLE TRANSACTION

ACQUISITION OF PROPERTY

The Board announces that on 23 December 2019, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser will purchase and the Vendor will sell the Property for a consideration of JPY168,000,000 (equivalent to approximately HK\$12,066,000).

As one of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Acquisition

The Board announces that on 23 December 2019, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Property. The salient terms of the Sale and Purchase Agreement are summarised below:

Date: 23 December 2019

Parties: (a) **Purchaser:** Wealth Creation Company Limited, a wholly-owned subsidiary of the Company; and

(b) **Vendor:** 株式会社ライフベルコーポレーション, which is principally engaged in the business of property management. To the best knowledge of the Directors, after enquiry, the Vendor and its ultimate beneficial owners are independent of, and not connected with, the Company and its Connected Persons.

Sale and purchase:

The Vendor will sell and the Purchaser will purchase the Property.

The Property:

The Property is located at 112-11, Shimbashi 5-chome, Minato-ku, Tokyo, Japan (日本東京都港区新橋五丁目112番地11). The Property is a commercial property that comprises 5 storeys and 1 basement and has a gross floor area of approximately 1,840 square feet.

Consideration:

The consideration is JPY168,000,000 (equivalent to approximately HK\$12,066,000), which was determined after arm's length negotiations between the parties by reference to the market price of neighbouring properties of a similar standard.

The consideration for the Acquisition will be satisfied by the internal resources of the Group.

Terms of payment:

- (a) An initial deposit of JPY10,000,000 (equivalent to approximately HK\$718,000) has been paid by the Purchaser to the Vendor upon the signing of the Sale and Purchase Agreement; and
- (b) The balance of the consideration in the sum of JPY158,000,000 (equivalent to approximately HK\$11,348,000) will be paid by the Purchaser to the Vendor at completion, which is expected to fall on or before 22 January 2020.

Reasons for the Acquisition

The Group is principally engaged in the trading of frozen meats, seafood and vegetables, operation of restaurant, marketing of meat products and communication and advertising design. The Group intends to set up an office in Japan to expand its procurement activities and explore trading opportunities in Japan. The Company intends to use the Property as the office of the Group in Japan.

Given that the Sale and Purchase Agreement was entered into on normal commercial terms with the consideration being determined based on the market value of the Property, the Directors consider that the Acquisition is in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the terms of the Sale and Purchase Agreement;
“Board”	the board of Directors;
“Company”	Hong Kong Food Investment Holdings Limited (香港食品投資控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Connected Person”	has the meanings ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“JPY”	Japanese Yen, the lawful currency of Japan;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	the property located at 112-11, Shimbashi 5-chome, Minato-ku, Tokyo, Japan (日本東京都港区新橋五丁目112番地11);
“Purchaser”	Wealth Creation Company Limited, a company incorporated in Japan and is a wholly-owned subsidiary of the Company;

“Sale and Purchase Agreement”	the agreement dated 23 December 2019 between the Purchaser and the Vendor in relation to the sale and purchase of the Property;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	株式会社ライフベルコーポレーション, a company incorporated in Japan and an independent third party; and
“%”	per cent.

By Order of the Board
Hong Kong Food Investment Holdings Limited
Cheng Ming Fong
Company Secretary

Hong Kong, 23 December 2019

As at the date of this announcement, the executive directors of the Company are Mr. TAI Tak Fung, Stephen, Mr. TAI Chun Leung, Mr. MAN Wing Cheung, Ellis, Mr. TAI Chun Kit and Mr. TSE Siu Wan, and the independent non-executive directors of the Company are Mr. CHAN Kay Cheung, Mr. LAN Yee Fong, Steve John and Mr. CHEUNG Wing Choi.