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## **YING KEE TEA HOUSE GROUP LIMITED**

**英記茶莊集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 8241)**

### **VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTIONS**

**Financial adviser to the Company**



#### **THE ACQUISITION**

The Board is pleased to announce that on 4 February 2020 (after trading hours), the Vendor entered into the Sale and Purchase Agreements with Sing Hoi Properties and Union Lucky respectively, pursuant to which (i) the Vendor has conditionally agreed to sell and Sing Hoi Properties has conditionally agreed to acquire Property 1 at the consideration of HK\$50.0 million; and (ii) the Vendor has conditionally agreed to sell and Union Lucky has conditionally agreed to acquire Property 2 at the consideration of HK\$45.5 million.

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

As certain applicable percentage ratios (as defined under Chapter 19 of the GEM Listing Rules) in respect of the Acquisition exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements.

Each of Sing Hoi Properties and Union Lucky is a direct wholly-owned subsidiary of the Company. As at the date of this announcement, the Vendor is an entity controlled by the four Chans. The four Chans are the Controlling Shareholders of the Company; and among them, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen are also the executive Directors. Therefore, the Vendor is a connected person of the Company. The Acquisition and the receipt of financial assistance with the issuance of the Promissory Notes to the Vendor constitute connected transactions of the Company. The issue of the Promissory Notes is fully exempt under Rule 20.88 of the GEM Listing Rules as it is conducted on normal commercial terms or better and is not secured by the assets of the Group. The Acquisition is subject to the reporting, announcement and the approval requirements of the Independent Shareholders at the EGM under Chapter 20 of the GEM Listing Rules. As the four Chans will be deemed as having material interests in the Acquisition, they and their respective associates will be required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM. Save as aforesaid and to the best knowledge of the Company, as at the date of this announcement, no other Shareholder is required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM.

## GENERAL

An Independent Board Committee has been established by the Company to consider the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether the Acquisition is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An Independent Financial Adviser has been engaged to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among others, (i) details of the Acquisition; (ii) letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) financial information of the Group; (v) unaudited financial information of the Properties; (vi) unaudited pro forma financial information of the Group; (vii) valuation report of the Properties; (viii) notice convening the EGM; and (ix) other information as required under the GEM Listing Rules is expected to be despatched on or before 25 February 2020.

**Completion of the Acquisition is subject to fulfilment or waiver (as the case may be) of the conditions precedent to the Sale and Purchase Agreements and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## INTRODUCTION

The Board is pleased to announce that on 4 February 2020 (after trading hours), the Vendor entered into the Sale and Purchase Agreements with Sing Hoi Properties and Union Lucky respectively. Pursuant to which, (i) the Vendor has conditionally agreed to sell and Sing Hoi Properties has conditionally agreed to acquire Property 1 at the consideration of HK\$50.0 million, and (ii) the Vendor has conditionally agreed to sell and Union Lucky has conditionally agreed to acquire Property 2 at the consideration of HK\$45.5 million.

Principal terms of the Acquisition are set out below.

## THE ACQUISITION

### Date

4 February 2020 (after trading hours of the Stock Exchange)

### Parties

Vendor: Chan Sing Hoi Enterprises Limited

Purchasers: Property 1 – Sing Hoi Properties

Property 2 – Union Lucky

Each of Sing Hoi Properties and Union Lucky is a direct wholly-owned subsidiary of the Company. Chan Sing Hoi Enterprises Limited is a limited liability company incorporated in Hong Kong which is principally engaged in property investments and is owned by the four Chans as to 25%, 25%, 25% and 25% respectively as at the date of this announcement. The four Chans are the Controlling Shareholders of the Company and among them, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen are also the executive Directors. Therefore, the Vendor is a connected person of the Company.

### Information of the Properties

The Group has rented the Properties from the Vendor pursuant to the Tenancy Agreements as retail shops. The following table sets out details of the Properties:

	Location	Area	Existing tenancy	Security deposit held by the Vendor (the “Rental Deposits”)
Property 1	Shop B, Ground Floor, Siu Ying Commercial Building, Nos. 151-155 Queen's Road Central, Hong Kong	409 sq. ft.	Occupied by Ying Kee as retail shop. The term of the existing tenancy is one year from 1 April 2019 to 31 March 2020	HK\$318,000
Property 2	Ground Floor, Mei Wah Building, No. 170 Johnston Road, Wan Chai, Hong Kong	555 sq. ft.	Occupied by Ying Kee as retail shop. The term of the existing tenancy is one year from 1 April 2019 to 31 March 2020	HK\$396,000

The Vendor shall on the Completion account to the Purchasers for the Rental Deposits (without deduction).

The monthly rentals (excluding rates and building management fees) paid/to be paid to the Vendor for each of the Property 1 and Property 2 were as follows:

	Monthly rental	
	Property 1	Property 2
Years ended 31 March 2018 and 2019	HK\$81,000	HK\$93,000
1 April 2019 to 31 March 2020 (pursuant to Tenancy Agreements)	HK\$106,000	HK\$132,000

It is the Directors' intention that after Completion, the Group will continue using the Properties as retail shops for business operation. Each of the Properties is and will be sold to the relevant Purchasers on an “as is” basis and in the physical state and condition as it stands.

The historical investment costs made by the Vendor for the Property 1 and Property 2 were approximately HK\$0.5 million as at 13 October 1984 and approximately HK\$10.5 million as at 29 September 2000 respectively based on the best knowledge of the Directors.

## **Consideration**

### ***Property 1***

The consideration shall be HK\$50.0 million payable by Sing Hoi Properties to the Vendor in the following manner:

- (a) HK\$2.5 million, representing 5% of the consideration, shall be paid as deposit upon signing of the relevant Sale and Purchase Agreement; and
- (b) HK\$47.5 million, representing 95% of the consideration, shall be paid on the Completion Date and to be satisfied by way of: (i) cash for the sum of HK\$22.5 million; and (ii) issuance of Promissory Note 1 in the sum of HK\$25.0 million.

### ***Property 2***

The consideration shall be HK\$45.5 million payable by Union Lucky to the Vendor in the following manner:

- (a) HK\$2.0 million, representing approximately 4.4% of the consideration, shall be paid as deposit upon signing of the relevant Sale and Purchase Agreement; and
- (b) HK\$43.5 million, representing approximately 95.6% of the consideration, shall be paid on the Completion Date and to be satisfied by way of: (i) cash for the sum of HK\$18.0 million; and (ii) issuance of Promissory Note 2 in the sum of HK\$25.5 million.

The Acquisition will not be financed by the net proceeds from the Listing of the Company. The deposits will be financed by the internal resources of the Group; and cash payments portion of the consideration will be financed by bank mortgage loans.

As at the date of this announcement, the Company has entered into discussions with a bank for obtaining bank mortgage loans. The bank mortgage loans will be subject to further discussions with bank(s) and execution of final agreements by the relevant parties after obtaining the approval on the Acquisition from the Independent Shareholders at EGM.

## **Basis of the consideration**

The consideration was determined after arm's length negotiation between the Vendor and the respective Purchasers under normal commercial terms with reference to, among others, the preliminary valuation of the Property 1 at HK\$50.0 million as at 30 November 2019 and Property 2 at HK\$45.5 million as at 30 November 2019, as carried out by an independent professional valuer, namely Knight Frank Petty Limited. In valuing the Properties, the valuer adopted market approaches with reference to sales evidence as available on the market.

## **Conditions precedent of the Sale and Purchase Agreements**

Completion of each of the Sale and Purchase Agreements with Sing Hoi Properties and Union Lucky respectively, is conditional upon the fulfillment (or, if applicable, the waiver) of the following conditions:

- (a) the passing of the ordinary resolution(s) by the Independent Shareholders at the EGM to approve, among others, the entering into the Sale and Purchase Agreements and the transactions contemplated thereunder in accordance with the requirements of the GEM Listing Rules;

- (b) all other relevant requirements under the GEM Listing Rules and/or all necessary approvals and processes of the relevant authorities which may be required for the entering into and implementation of the relevant Sale and Purchase Agreements for the transactions contemplated thereunder having been fulfilled, obtained and/or completed by the relevant Purchaser and/or the Company;
- (c) the Vendor having shown and proven a good title to the Properties;
- (d) all the warranties provided by the Vendor remain true, complete and accurate, and not misleading, in all material respects as at the Completion Date; and
- (e) the Sale and Purchase Agreements in relation to the acquisition of Property 1 and Property 2 having become unconditional except for any condition requiring each of the respective Sale and Purchase Agreements to become unconditional.

The Vendor shall use all reasonable endeavours to fulfill all the conditions (other than the conditions in (a) and (b) above). The Purchasers may at absolute discretion at any time waive any of above conditions precedent (other than those in (a) and (b)) by notice in writing to the Vendor. As at the date of this announcement, the Purchasers have no present intention to waive any of the conditions and will only exercise their right to waive such conditions if it is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

When any of the conditions have been fulfilled, the Vendor as to (d) and (e) and the Purchaser as to (a), (b) and (c) shall notify the other party as soon as reasonably practicable (but in any event within two (2) Business Days) in writing.

If the conditions precedent have not been fulfilled to the satisfaction of the relevant party (or waived) on or before the Long Stop Date, the party shall have the right to terminate and rescind the relevant Sale and Purchase Agreement by written notice to the other party. In such event, the deposits payable by the Purchaser(s) under each of the relevant Sale and Purchase Agreement(s) shall be refunded to such Purchaser(s) and all right and obligations of the parties under the relevant Sale and Purchase Agreement(s) shall be released where upon no party shall have any claim under the relevant Sale and Purchase Agreement(s) of any nature whatsoever against the other party.

## **COMPLETION**

The completion of the sale and purchase for Property 1 shall be simultaneous with the completion of the sale and purchase for Property 2. On Completion, against the payment of the remaining consideration in manner mentioned under paragraphs headed “The Acquisition – Consideration” above, the Vendor and all other necessary parties (if any) will execute a proper assignment or other assurance of the Properties to the Purchasers or the Purchasers’ nominee(s) free from encumbrances.

Completion shall take place at or before 5:00 p.m. on the third (3rd) Business Day after the fulfilment (or waiver) of the last of the conditions precedent or on or before the Long Stop Date, whichever is earlier.

## PRINCIPAL TERMS OF THE PROMISSORY NOTES

The principal terms of the Promissory Notes are summarised below:

Issuer:	the Company
Payee:	the Vendor
Principal amount:	Promissory Note 1 of HK\$25.0 million; and Promissory Note 2 of HK\$25.5 million
Interest:	Interest-free
Maturity:	the date falling on the third (3rd) anniversary from the date of issue (the “ <b>Effective Date</b> ”) or such other date as suggested by the Company, whichever date is earlier (the “ <b>Maturity Date</b> ”). The Company may, at its sole and absolute discretion, further extend the Maturity Date for another three (3) years to the date falling on the sixth (6th) anniversary of the Effective Date or such other date as suggested by the Company, whichever date is earlier
Early Repayment:	in whole or in part in amounts of a minimum of HK\$1,000,000 and an integral multiple of HK\$100,000 by the Company at its absolute discretion at any time prior to the Maturity Date
Transferability:	freely transferable to a third party independent of and not connected with the Company and its connected persons provided that no less than three (3) Business Days’ written notice is given to the Company before such transfer
Early redemption:	in the event that the Group desires to sell Property 1 and/or Property 2 before full payment of the relevant Promissory Note(s), the Company shall be obliged to repay in full the outstanding amount of the principal of the relevant Promissory Note(s) within five (5) Business Days upon completion of such sale.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is a Chinese tea leaves retailer in Hong Kong. It operates retail shops and concession counters for selling tea products including Chinese tea leaves, tea wares and tea gift sets, to retail customers (the “**Tea Products Retail Business**”) under Ying Kee. In April 2019, it diversified its business to food and beverage in Hong Kong under iTea serving products such as Hong Kong style coffee, fruit and bubble tea made from Chinese tea leaves.

Apart from the Properties, none of the existing retail shops of the Group is currently owned by the Vendor. As advised by the Directors, the Group has rented the Properties from the Vendor as retail shops for Tea Products Retail Business for over 35 years. Terms of the Tenancy Agreements will expire on 31 March 2020. The Vendor recently informed the Company about its intention to sell the Properties and offered to sell them to the Company before it will offer the same to the public market.



The Company's decision to own instead of rent the Properties was mainly a result of discussions with the Vendor on its offer to sell the Properties. The Vendor has accepted counter-offer from the Company on the financial arrangement for the Acquisition, which involves issue of Promissory Notes to satisfy substantial portion of the consideration. After further discussion, the Vendor also agrees that the Promissory Notes will be interest-free and extendable at the sole and absolute discretion of the Company (for details, please refer to "Maturity" under "Principal terms of the Promissory Notes" above). The Directors consider that such settlement arrangement is largely favourable to the Purchasers. The Acquisition would provide an opportunity for the Group to enhance its asset bases without tightening cash flow in short term given (i) the settlement arrangement with the Vendor mentioned above; and (ii) indication from a bank on the financing amount that could be available to the Company and/or the Purchasers.

The Group will not repay any of the Promissory Notes prior to the Maturity Date unless it has retained sufficient working capital for business operation based on its assessment on cashflow requirements from time to time. To the best knowledge of the Directors after making reasonable enquiries, the Vendor is willing to consider further extension of the Maturity Date, if necessary. The Group may also consider settlement of the whole or part of the outstanding Promissory Notes upon Maturity Date through re-financing of the Properties and/or other external financing when opportunities arise and if it is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors believe that the Acquisition will benefit the Group in the following aspects, among others: (i) to retain important retail presences. The Group's revenue from the retail points at Property 1 and Property 2 represented approximately 19.5% and 14.2% of total revenue of the Group for the year ended 31 March 2019. The Directors are of the view that it is crucial to secure the using of the Properties as the Group's benchmark retail shops; (ii) to avoid possible disruption to the Group's business operation or loss of loyal customers as the Group may face the risk of relocation upon expiry of the Tenancy Agreements. New landlord may or may not be willing to continue leasing out the Properties to Ying Kee; (iii) to strengthen the Group's fixed asset base; and (iv) to save rental costs and to prevent burden from rental increment that may happen in future.

Having considered the aforesaid and the expected monthly interest expenses to be incurred from bank financing will be lower than the existing monthly rental expenses for the Properties, the Board considers that the Acquisition is fair and reasonable and in the interest of the Company.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As certain applicable percentage ratios (as defined under Chapter 19 of the GEM Listing Rules) in respect of the Acquisition exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements.

Each of Sing Hoi Properties and Union Lucky is a direct wholly-owned subsidiary of the Company. As at the date of this announcement, the Vendor is an entity controlled by the four Chans. The four Chans are the Controlling Shareholders of the Company; and among them, Mr. Chan Kun Yuen, Mr. Chan Shu Yuen and Mr. Chan Kwong Yuen are also the executive Directors. Therefore, the Vendor is a connected person of the Company. The Acquisition and the receipt of financial assistance with the issuance of the Promissory Notes to the Vendor constitute connected transactions of the Company. The issue of the Promissory Notes is fully exempt under Rule 20.88 of the GEM Listing Rules as it is conducted on normal commercial terms or better and is not secured by the assets of the Group. The Acquisition is subject to the reporting, announcement and the approval requirements of the Independent Shareholders at the EGM under Chapter 20 of the GEM Listing Rules. As the four Chans will be deemed as having material interests in the Acquisition, they and their respective associates will be required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM. Save as aforesaid and to the best knowledge of the Company, as at the date of this announcement, no other Shareholder is required to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM.

## **GENERAL**

An Independent Board Committee has been established by the Company to consider the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether the Acquisition is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An Independent Financial Adviser has been engaged to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among others, (i) details of the Acquisition; (ii) letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) financial information of the Group; (v) unaudited financial information of the Properties; (vi) unaudited pro forma financial information of the Group; (vii) valuation report of the Properties; (viii) notice convening the EGM; and (ix) other information as required under the GEM Listing Rules is expected to be despatched on or before 25 February 2020.



**Completion of the Acquisition is subject to the fulfilment or waiver (as the case may be) of the conditions precedent to the Sale and Purchase Agreements and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

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

“Acquisition”	the acquisition of Properties by the Purchasers from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreements
“associate(s)”	has the meaning as defined under the GEM Listing Rules
“Business Day(s)”	any day on which the Stock Exchange is open for the business of securities dealing
“Board”	the board of Directors
“Company”	Ying Kee Tea House Group Limited (英記茶莊集團有限公司), a company incorporated in Hong Kong with limited liability on 14 September 2017 and whose issued Shares are listed on GEM of the Stock Exchange
“Completion”	the completion of the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreements, which are inter-conditional and shall take place simultaneously
“Completion Date”	the date of Completion
“connected person(s)”	has the meaning as defined under the GEM Listing Rules
“Controlling Shareholder(s)”	has the meaning as defined under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve, among other things, the Sale and Purchase Agreements and the transactions contemplated thereunder
“four Chans”	collectively, Mr. Chan Tat Yuen, Mr. Chan Shu Yuen, Mr. Chan Kun Yuen and Mr. Chan Kwong Yuen
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“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
“Independent Board Committee”	an independent committee of the Board, formed by the Company, comprising all the independent non-executive Directors, established to consider and review the terms of the Acquisition and the transactions contemplated thereunder, and to advise the Independent Shareholders as to whether the Acquisition is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole
“Independent Financial Adviser”	Grand Moore Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Board to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Acquisition and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) other than the four Chans and their respective associates who are not required to abstain from voting at the GM to approve the Sale and Purchase Agreements and the transactions contemplated thereunder
“iTea”	iTea. Ying Kee Limited (愛茶。英記有限公司) (formerly known as All Profit Enterprise Limited (滿利企業有限公司) until it changed its name on 19 October 2018), a limited liability company incorporated in Hong Kong on 11 May 2018, a direct wholly-owned subsidiary of the Company
“Listing”	the listing of the Shares on GEM of the Stock Exchange
“Long Stop Date”	31 March 2020 or such later date as may be agreed in writing between the Vendor and the Purchaser(s)
“Promissory Notes”	Promissory Note 1 and Promissory Note 2
“Promissory Note 1”	the promissory note in the principal amount of HK\$25.0 million, to be issued by the Company in favour of the Vendor to satisfy part of the consideration for the acquisition of Property 1
“Promissory Note 2”	the promissory note in the principal amount of HK\$25.5 million, to be issued by the Company in favour of the Vendor to satisfy part of the consideration for the acquisition of Property 2

“Properties”	collectively, Property 1 and Property 2
“Property 1”	Shop B on Ground Floor, Siu Ying Commercial Building, Nos. 151-155 Queen’s Road Central, Hong Kong
“Property 2”	Ground Floor, Mei Wah Building, No. 170 Johnston Road, Wan Chai, Hong Kong
“Purchaser(s)”	Sing Hoi Properties and/or Union Lucky
“Sale and Purchase Agreement(s)”	the respective sale and purchase agreements dated 4 February 2020 entered into between (i) the Vendor and Sing Hoi Properties for the acquisition of Property 1 and (ii) the Vendor and Union Lucky for the acquisition of Property 2, and each a Sale and Purchase Agreement
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Sing Hoi Properties”	Sing Hoi Properties Limited (星海置業有限公司), a company incorporated in Hong Kong with limited liability on 12 June 2018, which is directly wholly-owned by the Company
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	the tenancy agreements entered into between Ying Kee and the Vendor on 29 March 2019 for the leasing of the Properties
“Union Lucky”	Union Lucky Limited (英聯有限公司), a company incorporated in Hong Kong with limited liability on 22 February 2019, which is directly wholly-owned by the Company
“Vendor”	Chan Sing Hoi Enterprises Limited (陳星海企業有限公司), a company incorporated in Hong Kong with limited liability on 30 August 1972, which is owned by the following individuals in the proportions indicated in the parenthesis: Mr. Chan Kun Yuen (25%), Mr. Chan Kwong Yuen (25%), Mr. Chan Shu Yuen (25%) and Mr. Chan Tat Yuen (25%)

“Ying Kee”

Ying Kee Tea Company Limited (英記茶莊有限公司) (formerly known as International Sunnyside Tradings Limited until it changed its name on 22 May 1990), a company incorporated in Hong Kong with limited liability on 13 December 1983, which is a direct wholly-owned subsidiary of the Company

“%”

per cent

By Order of the Board  
**Ying Kee Tea House Group Limited**  
**Chan Kwong Yuen**  
Chairman

Hong Kong, 4 February 2020

*As at the date of this announcement, the Board comprises Mr. Chan Kwong Yuen, Mr. Chan Kun Yuen and Mr. Chan Shu Yuen as executive Directors; Mr. Wong Chee Chung, Mr. Siu Chi Ming and Mr. Lee Wai Ho as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 that 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 this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at [www.yingkeetea.com](http://www.yingkeetea.com).*