

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**G-Vision International (Holdings) Limited**

**環科國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 657)

**CONTINUING CONNECTED TRANSACTION  
RENEWAL OF LEASE OF PROPERTY**

On 28 April 2017, CCC Restaurant and Homley entered into the 2017 Tenancy Deed pursuant to which CCC Restaurant leased from Homley the Property for a period of three years commencing from 1 May 2017 as disclosed in the announcement of the Company dated 28 April 2017. The 2017 Tenancy Deed will expire on 30 April 2020.

The Directors announce that on 29 April 2020 (after trading hours), CCC Restaurant and Homley entered into the Tenancy Deed pursuant to which CCC Restaurant will lease from Homley the Property at a monthly rental of HK\$360,000 (exclusive of rates and management and air-conditioning fees) for a period of three years commencing from 1 May 2020 to 30 April 2023 (both dates inclusive).

Homley is a wholly-owned subsidiary of Golden Toy. Golden Toy and Kong Fai hold approximately 8.88% and 65.62% of the issued share capital of the Company respectively. The entire issued share capital of each of Golden Toy and Kong Fai is beneficially owned by two discretionary trusts, the objects of which include members of the Cheng Family. As all members of the Cheng Family are executive Directors, Homley, being a wholly-owned subsidiary of Golden Toy, is an associate of such persons and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Transaction constitutes a continuing connected transaction of the Company under the Listing Rules.

As each of the relevant percentage ratios for the Transaction is, on an annual basis, less than 25% and the aggregate annual rental is less than HK\$10,000,000, the Transaction is subject to the reporting, announcement and annual review requirements, but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group, and that the terms of the Tenancy Deed have been negotiated on an arm's length basis and on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **1. BACKGROUND**

On 28 April 2017, CCC Restaurant and Homley entered into the 2017 Tenancy Deed pursuant to which CCC Restaurant leased from Homley the Property for a period of three years commencing from 1 May 2017 as disclosed in the announcement of the Company dated 28 April 2017. The 2017 Tenancy Deed will expire on 30 April 2020.

## **2. THE TENANCY DEED DATED 29 APRIL 2020**

### **Parties:**

- (i) Homley as the landlord
- (ii) CCC Restaurant as the tenant

### **Principal Terms of the Tenancy Deed:**

On 29 April 2020 (after trading hours), CCC Restaurant and Homley entered into the Tenancy Deed pursuant to which CCC Restaurant will lease from Homley the Property for a term of three years commencing from 1 May 2020 to 30 April 2023 (both dates inclusive) at a monthly rental of HK\$360,000 (exclusive of rates and management and air-conditioning fees) with rent free periods for two months from 1 May 2020 to 31 May 2020 and 1 April 2023 to 30 April 2023. The rental in respect of the Property shall be payable monthly in advance on the 1<sup>st</sup> day of each month and shall be financed from the internal resources of the Group. There is no provision in the Tenancy Deed that allows the variation of the monthly rental during the term of the tenancy. Upon signing of the Tenancy Deed, CCC Restaurant shall pay to Homley a sum of HK\$1,080,000 as rental deposit and security for the due observance and performance by CCC Restaurant of its obligations under the Tenancy Deed. The rental deposit of HK\$1,080,000 shall be returned to CCC Restaurant within 30 days after the expiration or early termination of the Tenancy Deed.

The maximum aggregate annual rental in respect of the Property under the Tenancy Deed amounts to HK\$4,320,000. The maximum aggregate annual value of the transactions contemplated under the 2017 Tenancy Deed and the Tenancy Deed for each of the financial years ending 31 March 2021, 31 March 2022 and 31 March 2023 amounts to HK\$3,780,000 (comprising the rental of HK\$180,000 for April 2020 and HK\$360,000 for each of the months from June 2020 to March 2021), HK\$4,320,000 (comprising the rental of HK\$360,000 for each of the months from April 2021 to March 2022) and HK\$4,320,000 (comprising the rental of HK\$360,000 for each of the months from April 2022 to March 2023) respectively.

The rental under the Tenancy Deed was negotiated on an arm's length basis and on normal commercial terms between CCC Restaurant and Homley and was determined with reference to the market rental value of the Property based on the Rental Valuation. According to the Rental Valuation Letter, the market rental value of the Property as at 29 April 2020 was HK\$360,000 per calendar month, exclusive of rates, government rent, management fee and other outgoings.

### **3. REASONS FOR THE TENANCY DEED**

The Group principally engages in the operation of a chain of Chinese restaurants in Hong Kong that specializes in Chiu Chow cuisine. The Property is currently used by the Group to operate one of its restaurants.

The principal business of CCC Restaurant is to operate the restaurant located at the Property.

The principal business of Homley is property investment.

As announced by the Company on 28 April 2017, CCC Restaurant entered into the 2017 Tenancy Deed with Homley on 28 April 2017 with respect to the lease of the Property for a term of three years commencing from 1 May 2017 at a monthly rental of HK\$360,000 (exclusive of rates and management and air-conditioning fees). The maximum aggregate annual value of the transaction contemplated under the 2017 Tenancy Deed for each of the financial years ended 31 March 2018, 31 March 2019 and 31 March 2020 amounted to HK\$3,960,000 (comprising the rental of HK\$360,000 for each of the months from May 2017 to March 2018), HK\$4,320,000 (comprising the rental of HK\$360,000 for each of the months from April 2018 to March 2019) and HK\$4,140,000 (comprising the rental of HK\$360,000 for each of the months from April 2019 to February 2020 and HK\$180,000 for March 2020) respectively. The 2017 Tenancy Deed will expire on 30 April 2020. As CCC Restaurant will continue its restaurant operation at the Property, CCC Restaurant has requested and Homley has agreed to a renewal of the lease of the Property and entered into the Tenancy Deed on 29 April 2020 (after trading hours).

### **4. CONTINUING CONNECTED TRANSACTION**

As at the date of this announcement, Golden Toy and Kong Fai hold approximately 8.88% and 65.62% of the issued share capital of the Company respectively. The entire issued share capital of each of Golden Toy and Kong Fai is beneficially owned by two discretionary trusts the objects of which include members of the Cheng Family. As all members of the Cheng Family are executive Directors, Homley, being a wholly-owned subsidiary of Golden Toy, is an associate of such persons and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Transaction constitutes a continuing connected transaction of the Company. As each of the relevant percentage ratios for the Transaction is, on an annual basis, less than 25% and the aggregate annual rental is less than HK\$10,000,000, the Transaction is subject to the reporting, announcement and annual review requirements, but is exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group, and that the terms of the Tenancy Deed have been negotiated on an arm's length basis and on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the executive Directors, namely Mr. Cheng Hop Fai, Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita and Ms. Cheng Pak Lai, Lily, have material interests in the Transaction, each of them has abstained from voting on the relevant resolutions of the Board approving the Tenancy Deed and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Tenancy Deed or is required to abstain from voting on the relevant resolutions of the Board. Save as disclosed above, no other Directors has material interests in the Transaction.

## 5. TERMS USED IN THIS ANNOUNCEMENT

"2017 Tenancy Deed"	the tenancy deed dated 28 April 2017 and entered into between Homley and CCC Restaurant in respect of the Property
"Board"	the board of Directors
"CCC Restaurant"	City Chiu Chow Restaurant Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Cheng Family"	Mr. Cheng Hop Fai, Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita and Ms. Cheng Pak Lai, Lily, all of whom are executive Directors. Mr. Cheng Hop Fai is the chairman of the Company. Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita and Ms. Cheng Pak Lai, Lily are daughters of Mr. Cheng Hop Fai
"Company"	G-Vision International (Holdings) Limited
"Directors"	directors of the Company
"Golden Toy"	Golden Toy Investments Limited, a company incorporated in the British Virgin Islands with limited liability
"Group"	the Company and its subsidiaries
"Homley"	Homley Development Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Golden Toy
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Kong Fai"	Kong Fai International Limited, a company incorporated in the British Virgin Islands with limited liability
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China
“Property”	Units Nos. G17, 109 to 123, 135 and 136, East Ocean Centre, 98 Granville Road, Kowloon, Hong Kong
“Rental Valuation”	the market rental valuation of the Property as at 29 April 2020 conducted by RHL Appraisal Ltd., an independent professional valuer
“Rental Valuation Letter”	the letter on the Rental Valuation dated 29 April 2020 issued by RHL Appraisal Ltd., an independent professional valuer
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Deed”	the tenancy deed dated 29 April 2020 and entered into between Homley and CCC Restaurant in respect of the Property
“Transaction”	the transaction contemplated under the Tenancy Deed
“HK\$”	Hong Kong dollars

By order of the Board  
**G-Vision International (Holdings) Limited**  
**Cheng Hop Fai**  
*Chairman*

Hong Kong, 29 April 2020

*As at the date of this announcement, the Board comprises Mr. Cheng Hop Fai (Chairman and Managing Director), Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita and Ms. Cheng Pak Lai, Lily as executive Directors and Mr. Leung Tai Chiu, Mr. Law Toe Ming and Mr. Hung Chi Yuen, Andrew as independent non-executive Directors.*

*\* for identification purpose only*