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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 6 September 2021, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property for a consideration of JPY195,000,000 (equivalent to approximately HK\$13,714,000).

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 6 September 2021, 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: 6 September 2021

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

(b) **Vendor:** 堤藤丞, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is the ultimate beneficial owner of the Property and is independent of, and not connected with, the Company and its connected persons.

Sale and purchase:

The Vendor agreed to sell and the Purchaser agreed to purchase the Property.

The Property:

The Property is located at 112-12, Shimbashi 5-chome, Minato-ku, Tokyo, Japan (日本東京都港区新橋五丁目112番地12). The Property is a commercial property that comprises 3 storeys and has a gross floor area of approximately 98.03 square meter.

Consideration:

The consideration for the Acquisition is JPY195,000,000 (equivalent to approximately HK\$13,714,000), 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\$703,000) 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 JPY185,000,000 (equivalent to approximately HK\$13,011,000) will be paid by the Purchaser to the Vendor at completion, which is expected to fall on or before 30 November 2021.

Lease back arrangement

As part of the conditions for the Acquisition and to allow the Vendor sufficient time to vacate the Property, the parties agreed that the Property will be leased back to Vendor for a term of 10 months from 1 December 2021 to 30 September 2022 at the aggregate rent of JPY1,200,000 (equivalent to approximately HK\$84,000).

The Company will use the Property as the office of the Group after the completion of the lease.

Reasons for the Acquisition

The Group is principally engaged in the trading of frozen meats, seafood and vegetables, operation of restaurants, marketing of meat products and communication and advertising design. The Group intends to use the Property as the office to further expand its procurement activities and trading opportunities 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 112-12, Shimbashi 5-chome, Minato-ku, Tokyo, Japan (日本東京都港区新橋五丁目112番地12);
“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 6 September 2021 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”	堤 藤丞, 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, 6 September 2021

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