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TASTY CONCEPTS HOLDING LIMITED

賞之味控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8096)

PROPOSED SHARE CONSOLIDATION

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The Company proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of HK\$0.01 each be consolidated into one (1) Consolidated Share of par value of HK\$0.1 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the AGM.

GENERAL

The circular containing, among other things, further details of the Share Consolidation and a notice of the AGM will be despatched to the Shareholders on or before Thursday, 30 June 2022.

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The Company proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of HK\$0.01 each be consolidated into one (1) Consolidated Share of par value of HK\$0.1 each.

Effect of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares of par value of HK\$0.01 each, of which 500,000,000 Shares had been allotted and issued as fully paid or credited as fully paid. Assuming that no further Shares will be issued or repurchased from the date of this announcement to the effective date of the Share Consolidation, upon the Share Consolidation having become effective, the authorised share capital of the Company will be HK\$100,000,000 divided into 1,000,000,000 Consolidated Shares of HK\$0.1 each, of which 50,000,000 Consolidated Shares will be in issue.

All Consolidated Shares will rank pari passu with each other in all respects. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon:

- (a) the passing by the Shareholders of an ordinary resolution to approve the Share Consolidation at the AGM;
- (b) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the GEM Listing Rules to effect the Share Consolidation; and
- (c) the GEM Listing Committee granting the listing of, and permission to deal, in the Consolidated Shares upon the Share Consolidation becoming effective.

Listing Application

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effect.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Shares or debt securities of the Company are listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

OTHER ARRANGEMENTS

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is expected to be on Wednesday, 10 August 2022, Shareholders may, during a period between Wednesday, 10 August 2022 and Friday, 16 September 2022 (both dates inclusive), submit existing share certificates for the Shares, which are in blue color, to the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong, to exchange, at the expense of the Company, for new share certificates, which will be in pink color. It is expected that new share certificates for the Consolidated Shares will be available for collection within 10 Business Days from the date of submission for the exchange. Thereafter, the existing share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be from time to time be specified by the Stock Exchange) by the Shareholders for each new share certificate for the Consolidated Shares to be issued or each existing share certificate for the Shares cancelled, whichever the number of certificates issued or cancelled is higher.

Nevertheless, the existing share certificates for the Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time but will not be accepted for trading, settlement and registration upon completion of the Share Consolidation.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Consolidated Shares (if any) arising from the Share Consolidation, the Company will appoint a securities firm to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders with the foregoing.

Holders of odd lots of the Consolidated Shares (if any) should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Fractional Consolidated Shares

Fractional Consolidated Shares (if any) will be disregarded and will not be issued to the Shareholders otherwise entitled thereto but will be aggregated and sold if possible, for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of existing share certificates held by such holder.

ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As at the date of this announcement, there are outstanding Share Options for subscription of an aggregate of 50,000,000 Shares under the Share Option Scheme. The Share Consolidation may lead to adjustments to the exercise price and/or the number of Consolidated Shares falling to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Scheme and the GEM Listing Rules. The Company will make further announcement(s) on such adjustments as and when appropriate.

Save for the aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which are convertible or exchangeable into Shares as at the date of this announcement.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 has further stated that (i) market price of the Shares at a level less than HK\$0.1 will be considered as approaching the extremities of HK\$0.01 as referred to Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

Based on the closing price of HK\$0.06 per Share and board lot size of 5,000 as at the date of this announcement, the existing board lot value is HK\$300, which is lower than HK\$2,000. The Board considers that the Share Consolidation, resulting in a theoretical price of HK\$0.60 per Consolidated Share and board lot value of HK\$3,000 (based on the closing price of HK\$0.06 per Share as at the date of this announcement), would enable the Company to comply with the trading requirements under the GEM Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares, the Board believes that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, and therefore further broaden the shareholder base of the Company.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders.

In view of the above, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” above. Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

EXPECTED TIMETABLE

Set out below is the expected timetable in relation to the Share Consolidation:

2022

Despatch of circular and proxy form for the AGM Thursday, 30 June

Latest date and time for lodging transfer documents in order to qualify
for attending and voting at AGM 4:30 p.m. on
Tuesday, 2 August

Closure of register of members for determining the entitlement
to attend and vote at the AGM (both dates inclusive) Wednesday, 3 August to
Monday, 8 August

Latest date and time for lodging the proxy form for the AGM 9:30 a.m. on
Saturday, 6 August

Date and time of the AGM 9:30 a.m. on
Monday, 8 August

Publication of the announcement of results of the AGM Monday, 8 August

The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Consolidation as set out in the section headed “Conditions of the Share Consolidation” above.

Effective date of the Share Consolidation Wednesday, 10 August

First day of free exchange of existing share certificates
for new share certificates Wednesday, 10 August

Dealings in Consolidated Shares commence 9:00 a.m. on
Wednesday, 10 August

Original counter for trading in Shares in board lots of 5,000 Shares
(in the form of existing share certificates) temporarily closes 9:00 a.m. on
Wednesday, 10 August

Temporary counter for trading in Consolidated Shares
in board lot of 500 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on
Wednesday, 10 August

Original counter for trading in Consolidated Shares
in new board lot of 5,000 Consolidated Shares
(in the form of new share certificates) re-opens. 9:00 a.m. on
Wednesday, 24 August

Parallel trading in Consolidated Shares (in the form of
existing share certificates and new share certificates) commences 9:00 a.m. on
Wednesday, 24 August

Designated broker starts to stand in the market to
provide matching services for odd lots of Consolidated Shares 9:00 a.m. on
Wednesday, 24 August

Temporary counter for trading in Consolidated Shares
in board lot of 500 Consolidated Shares
(in the form of existing share certificates) closes. 4:10 p.m. on
Wednesday, 14 September

Parallel trading in Consolidated Shares
(in the form of existing share certificates and
new share certificates) ends 4:10 p.m. on
Wednesday, 14 September

Designated broker ceases to stand in the market to
provide matching services for odd lots of Consolidated Shares 4:10 p.m. on
Wednesday, 14 September

Last day for free exchange of existing share certificates
for new share certificates for Consolidated Shares Friday, 16 September

All times and dates in this announcement refer to Hong Kong local times and dates. Dates specified in the expected timetable above are indicative only and may be extended or varied. Any changes to the expected timetable will be announced as and when appropriate.

GENERAL

The AGM will be convened and held to consider, and if thought fit, to approve, among other things, the Share Consolidation. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolution in relation to the Share Consolidation to be proposed at the AGM.

The circular containing, among other things, further details of the Share Consolidation and a notice of the AGM will be despatched to the Shareholders on or before Thursday, 30 June 2022.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held to consider, and if thought fit, to approve the Share Consolidation
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Company”	Tasty Concepts Holding Limited (賞之味控股有限公司), a company incorporated in the Cayman Islands with limited liability on, the Shares of which are listed on GEM of the Stock Exchange (stock code: 8096)
“Consolidated Share(s)”	ordinary share(s) with a par value of HK\$0.1 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM as amended by the Stock Exchange from time to time
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries

“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Share(s)”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Shareholder(s)”	the holder(s) of the Share(s) or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares of HK\$0.01 each in the existing share capital of the Company into one (1) Consolidated Share of HK\$0.1 each
“Share Option”	share option(s) granted under the Share Option Scheme entitling the holders thereof to subscribe for Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 21 February 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board of
Tasty Concepts Holding Limited
Tang Chun Ho Chandler
Chairman and Executive Director

Hong Kong, 20 June 2022

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Tang Chun Ho Chandler and Ms. Sung Kwan Wun and three independent non-executive Directors, namely Mr. Lai Man Hin, Mr. Ho Lai Chuen and Mr. Lee Koon Tak.

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 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.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.butaoramen.com.

* For identification purpose only