

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 disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



TASTE · GOURMET
GROUP LIMITED
嚐 · 高美集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8371)

ANNOUNCEMENT
CHANGE IN THE USE OF PROCEEDS
NEW LEASE AGREEMENT FOR THE OPENING
OF A NEW JAPANESE RESTAURANT AND
UPDATE ON THE OPENING OF A NEW RESTAURANT

Reference is made to the prospectus dated 29 December 2017 (the “**Prospectus**”) issued by the Company, the annual report of the Company for the year ended 31 March 2018 (the “**FY2019 Annual Report**”) and the interim report of the Company for the six months ended 30 September 2019 (the “**FY2020 Interim Report**”). Unless otherwise defined in this announcement, terms used herein shall have the same meanings as those defined in the Prospectus, FY2019 Annual Report and the FY2020 Interim Report.

A New Japanese Restaurant

The board of directors (the “**Board**” or “**Directors**”) of the Company is pleased to announce that the Company has entered into a lease agreement with an independent third party to open a new Japanese restaurant under a new brand named “Wasyokuya Yamaichi”. The basic terms of the lease are as follows:

Wasyokuya Yamaichi - The LOHAS, Tsang Kwan O

Terms of the Lease:

Location:	Shop 139, The LOHAS, Tsang Kwan O, Hong Kong.
Approximate Site Area:	2,000 sq.ft.
Lease Term:	3 years with an option to extend for a further 3 years
Commencement:	16 August 2020

The landlord is a major property developer and operator of premium shopping malls in Hong Kong. The landlord is an independent third party to the Company (as defined in the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The new restaurant is expected to commence operations in August 2020.

Change in the Use of Proceeds

In the Prospectus under the section headed “**Future Plans and Use of Proceeds**”, approximately HK\$ 8.8 million was assigned to “Enhance our brand recognition through raising our service levels on a continual basis, the increase of marketing initiatives and renovation of our restaurants” which was subsequently adjusted to HK\$8.0 million based on the actual net proceeds as disclosed in the FY2019 Annual Report (the “**Enhancement Proceeds**”). As at 30 September 2019 as disclosed in the FY2020 Interim Report, the unutilised portion of the Proceeds amounted to HK\$5.0 million (the “**Unutilised Enhancement Proceeds**”). The Board has resolved to change the Unutilised Enhancement Proceeds from “Enhance our brand recognition through raising our service levels on a continual basis, the increase of marketing initiatives and renovation of our restaurants” to finance the rental deposits and the renovation costs of our first Wasyokuya Yamaichi restaurant.

Reasons and Benefits of the Change in the Use of Proceeds

Due to the protests which escalated from June 2019 and the COVID-19 pandemic, landlords are less demanding on the renovation or upgrading of existing restaurants, and as a result, the Board believes that the Unutilised Enhancement Proceeds will be better used in the opening of Wasyokuya Yamaichi by deploying the funds towards generating additional revenue which is in the best interest of the Company and its shareholders as a whole.

OPENING OF A NEW NABE URAWA RESTAURANT

The Board is also pleased to announce that a new Nabe Urawa Restaurant at the Citygate in Tung Chung commenced operations in April 2020.

By Order of the Board
WONG Ngai Shan
Chairman and Executive Director

Hong Kong, 18 May 2020

As at the date of this announcement, the Board comprises:

Executive Directors:
WONG Ngai Shan (*Chairman*)
CHAN Wai Chun (*Chief Executive Officer*)

Independent Non-executive Directors:
CHAN Yuen Ting
TSANG Siu Chun
WANG Chin Mong

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