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(incorporated in the Cayman Islands with limited liability)

(Stock code: 8371)

VOLUNTARY ANNOUNCEMENT SUBSCRIPTION OF 40% EQUITY INTEREST IN A COMPANY AND CLOSURE AND DISPOSAL OF ASSETS OF A RESTAURANT

This announcement is made by Taste · Gourmet Group Limited (the “**Company**”) on a voluntary basis with the aim of updating the shareholders and potential investors of the Company on the latest business plan and development of the Company.

SUBSCRIPTION OF 40% EQUITY INTEREST IN A COMPANY

The board of directors (the “**Board**”) of the Company is pleased to announce that on 24 January 2019 (after trading hours), Nice Grain Limited, an indirect wholly-owned subsidiary of the Company (“**NGL**”) entered into a subscription agreement (the “**Subscription Agreement**”) together with HN Spicy Hot Restaurant Management Limited (湖南軒湘味坊餐飲管理有限公司), an independent third party (“**HNSH**”) where NGL will subscribe for 40% equity interest and HNSH will subscribe for 60% equity interest in a newly Hong Kong incorporated company, United Minds Limited (“**UML**”). UML will own and operate a new restaurant serving Hunan Provincial cuisine to be named “*Xiang Hui*” or “*湘薈*” in Chinese (“**Xiang Hui**”).

Xiang Hui will be taking over the site of one of our Parkview restaurants at the PopWalk in Tseung Kwan O (“**PopWalk PV**”). PopWalk PV shall be closed for renovation on 28 February 2019 to be reopened as Xiang Hui.

The basic terms of the Subscription Agreement, determined through arm’s length negotiations and on normal commercial terms with reference to the potential investment costs in Xiang Hui are as follows:

Subscription Shares:	10,000 new ordinary shares of HK\$1 each of UML
Total Consideration:	HK\$10,000
Settlement of the Consideration:	The Consideration will be settled in cash
The Board	Five, three to be appointed by HNSH and two to be appointed by NGL

Shareholders' Loan:	Both HNSH and NGL will provide a shareholders' loan to UML in proportion to their respective shareholding in UML. It is estimated that the total investment cost, including but not limited to, deposits such as rental, management fees and utilities, will be approximately HK\$2,000,000.
Shareholders' Agreement:	At the same time, HNSH and NGL have entered into a separate Shareholders' Agreement, detailing the roles and responsibilities of each party in the running of UML.
Acquisition of the PopWalk Assets:	UML shall acquire some of the PopWalk PV's assets with an estimated net book value of approximately HK\$336,762 as at 28 February 2019.
Conditions Precedent:	Completion is subject to obtaining approval from the landlord of PopWalk PV on the change of brand name and cuisine.
Completion:	Completion shall take place on 31 January 2019 or at a later date to be agreed by HNSH and NGL.

Upon completion of the Subscription Agreement, the shareholding structure of UML will be as follows:

	<u>Shareholding</u>		<u>Consideration</u>
HNSH	6,000	60%	HK\$6,000
NGL	4,000	40%	HK\$4,000
Total	10,000	100%	HK\$10,000

The Company's portion of the Subscription and the Shareholders' Loan which amounts to approximately HK\$804,000 will be funded by internal resources of the Company.

CLOSURE AND DISPOSAL OF ASSETS OF A RESTAURANT

The assets at the PopWalk PV will be treated as disposal of assets in the consolidated financial statements of the Company as at 28 February 2019. The PopWalk PV, which is situated Shop 120-121, The Popwalk, 12 Tong Chun Street, Tsang Kwan O, Hong Kong (the "Site") shall cease operations on 28 February 2019.

XIANG HUI

We estimate the opening of Xiang Hui, a Hunan Provincial cuisine restaurant, to be around the end of May 2019. The kitchen will be managed by HNSH and the floor will be managed by NGL. UML will enter into a new lease agreement with the landlord at the Site which is currently under discussion.

BACKGROUND OF HNSH

HNSH currently owns and operates a restaurant under the brand "Spicy Hot" ("湘味坊" in Chinese) in the Western District on the Hong Kong Island. HNSH is 30% owned by Hunan Sunshine International Limited (三湘國際有限公司) which is a subsidiary of Hunan Sunshine Holdings Limited (三湘集團有限公司), a Hunan Provincial Government sanctioned company incorporated in Hong Kong in 1985. The remaining 70% of HNSH is owned by an independent third party.

REASONS AND BENEFITS OF THE COOPERATION

The Board believes that the cooperation with HNSH will not only allow the Company to venture into a cuisine that's gaining popularity in Hong Kong, it would also provide opportunities to future collaborations in Hong Kong as well as in China.

The Board is of the view that the Subscription are in line with the business strategy of the Group and will not adversely affect the operation and business of the Group and is in the best interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

The revenue, net profit before tax and non-controlling interests, total assets and consideration associated with the Subscription Agreement and the Disposal were taken into account in the assessment pursuant to the requirements of Chapter 19 of the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). As all of the applicable percentage ratios (as defined under the GEM Listing Rules for both the Subscription Agreement and the Disposal are less than 5%, both the Subscription Agreement and the Disposal are not subject to the requirements pursuant to Chapter 19 of the GEM Listing Rule.

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

Hong Kong, 25 January 2019

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 of the Company (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.