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(Stock code: 8371)

## VOLUNTARY ANNOUNCEMENT LICENSING OF A JAPANESE BRAND AND UPDATE ON THE OPENING OF A DAB-PA 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.

### Licensing of a Japanese Brand

The board of directors (the “**Board**”) of the Company is pleased to announce that on 13 July 2018, we entered into a Licensing Agreement (the “**Licensing Agreement**”) with an independent third party (the “**Licensor**”) to license the rights to the exclusive and unlimited usage for all countries outside of Japan of a Japanese ramen brand “多賀野” or “Takano” (the “**License**”). The basic terms, determined through arm’s length negotiations and on normal commercial terms, of the Licensing Agreement are as follows:

**Brand:** “多賀野” or “Takano”

**Usage of Brand:** The License is for the exclusive and unlimited license for the use of the Brand by the Company outside of Japan. The Licensor shall not use the Brand or allow any other person or corporation in any form to use the Brand outside of Japan until the Licensing Agreement has been terminated.

The Company shall not sub-license the Brand to any other parties.

**Trademarks:** The Company is responsible for the registration of the trademark “多賀野” or “Takano” outside of Japan (the “**Ex-Japan Trademarks**”) and all costs associated with such registrations. All Ex-Japan Trademarks are held on behalf of the Licensor by the Company. Upon termination of the Licensing Agreement, the Company shall transfer all Ex-Japan Trademarks registration to the Licensor.

- Licensing Period:** The Licensing Period shall commence after the Licensor has provided all the recipes to the Company and the Company has been notified by the Licensor in writing that all such recipes have been provided (the “**Effective Date**”). The Licensing Period shall end upon termination of the Licensing Agreement.
- License Fees:** JPY22,000,000 (equivalent to approximately HK\$1,557,680) for 8 years commencing on the Effective Date.
- At the option of the Company, from Year 9 onwards, the Company may continue to use the Brand at an annual fee of JPY2,200,000 (equivalent to approximately HK\$155,768) per annum (the “**Annual Fee**”) if there are outlets / shops / restaurants (together “**Shops**”) being operated by the Company outside of Japan at any time during a specific year. The Annual Fee is assessed on an annual basis from Year 9 onwards which is payable as long as there are Shops in operation at any time during each year.
- Should the Company decide not to use the Brand, the Company is required to notify the Licensor in writing effectively terminating the Licensing Agreement.
- \* “Year” shall mean a twelve-month period commencing of the Licensing Period.
- Payment Terms:**
- 30% or JPY6,600,000 (equivalent to approximately HK\$467,304) of the Licensing Fees within 5 business days upon signing of the Licensing Agreement.
  - 70% or JPY15,400,000 (equivalent to approximately HK\$1,090,376) of the Licensing Fees within 5 business days after the commencement of the Licensing Period.
- Obligations of the Licensor**
- (1) The Licensor shall use best endeavours to provide, including but not limited to, training, mentoring, recipes, cooking techniques, consultancy services, equipment sourcing, and food ingredient sourcing in Japan as well as overseas;
  - (2) The Licensor shall use best endeavours to assist in marketing campaigns for Takano Shops launched by the Company;
  - (3) The Licensor must ensure the quality and service of the “多賀野” restaurant in Japan (“**Takano Japan**”) is maintained at the current high level;
  - (4) The Licensor must continue to operate the Takano Japan for at least three years from the Effective Date (“**Three Years Continue Operations**”) and shall be able to transfer or sell Takano Japan after the expiry of the Three Years Continue Operations Period. However, the Company has the first right to purchase Takano Japan at the same consideration at which it is being sold; and
  - (5) The Licensor shall not use the Brand in any matter which is prejudicial or adverse to the goodwill of the Brand.
- Transferability:** This Licensing Agreement is not transferable by either party.

**Obligation to Inform** The Company and the Licensor shall notify each other if there are any changes to the recipes. Obligation to inform ceases after the Licensor stops operating Takano Japan.

Founded in 1996, Takano Japan is a traditional Tokyo style ramen shop located in Shinagawa, Tokyo, Japan. Takano Japan operates six days a week from 11:30 a.m. to 2:30 pm or sell-out of their ramen whichever is earlier with Wednesday being their rest day. Takano Japan has been awarded many accolades in the past including:

Le Guide Michelin - Tokyo:	Recommendation 2015, 2016, 2017 and 2018
Try Magazine:	Tokyo Ramen of the Year - 2018 Ranked 7th
Ramen Walker:	Tokyo Silver Award 2014, 2015 and 2016 Japan Best 10 Ramen 2014
Tabelog Website:	Japan Ramen Award 2016 Best Ramen Award 2013 and 2014

We are currently looking for a suitable location for our first Takano ramen restaurant. We currently do not have any other ramen restaurant.

The Licensing Fees are funded by internal resources of the Company.

#### **Implications under the GEM Listing Rules**

As all of the applicable percentage ratios (as defined under the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the Licensing are less than 5%, the Licensing is not subject to the requirements pursuant to Chapter 19 of the GEM Listing Rule.

#### **DAB-PA RESTAURANT IN THE METROPLAZA, KWAI FONG**

The Board is also pleased to announce that our Dab-Pa restaurant in the Metroplaza in Kwai Fong commenced operations in July 2018, details of which was disclosed in the announcement issued by the Company dated 10 April 2018.

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

Hong Kong, 23 July 2018

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

<i>Executive Directors:</i>	<i>Independent Non-executive Directors:</i>
WONG Ngai Shan ( <i>Chairman</i> )	CHAN Yuen Ting
CHAN Wai Chun ( <i>Chief Executive Officer</i> )	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 Rules Governing the Listing of Securities on GEM of the Stock Exchange 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](http://www.hkexnews.hk) and [www.hkgem.com](http://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](http://www.tastegourmet.com.hk).*