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## **BAR PACIFIC GROUP HOLDINGS LIMITED**

### **太平洋酒吧集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8432)**

## **DISCLOSEABLE TRANSACTION IN RELATION TO TENANCY AGREEMENT**

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On 15 June 2021, Bar Pacific IX International Limited (a subsidiary of the Company) as tenant and Lee Shuk Kuen Kitty and Lam I Leong as the landlord entered into the Tenancy Agreement in respect of the Premise for a term of 6 years from 1 June 2021 to 31 May 2027 (both days inclusive).

### **IMPLICATIONS UNDER THE GEM LISTING RULES**

In accordance with HKFRS 16 “Leases”, the Company recognises the value of the right-of-use assets on its consolidated statement of financial position in connection with the lease of the Premise under the Agreements with effect from the beginning of its accounting period on 1 April 2019. Accordingly, the lease transaction under the Tenancy Agreement is regarded as acquisition of asset by the tenant (i.e. lessee) for the purpose of the GEM Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use of the Premise under the Tenancy Agreement exceed 5% but are less than 25%, the transaction contemplated thereunder constitutes a discloseable transaction and is subject to the announcement requirement under Chapter 19 of the GEM Listing Rules but exempt from Shareholders’ approval requirement under the GEM Listing Rules.

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### **Key Terms of the Tenancy Agreement**

|                                                |   |                                                                                                                                                                               |
|------------------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date                                           | : | 15 June 2021                                                                                                                                                                  |
| Parties                                        | : | (i) Lee Shuk Kuen Kitty and Lam I Leong as the landlord; and<br><br>(ii) Bar Pacific IX International Limited (a subsidiary of the Company) as tenant.                        |
|                                                |   | To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Lee Shuk Kuen Kitty and Lam I Leong are Independent Third Parties. |
| Premise                                        | : | The Ground Floor and Cockloft, No. 31 Fung Tak Road, Kowloon                                                                                                                  |
| Term                                           | : | 6 years from 1 June 2021 to 31 May 2027 (both days inclusive)                                                                                                                 |
| Total aggregate value of consideration payable | : | Not less than HK\$4,291,000 in aggregate for the term of 6 years (exclusive of building management fee)                                                                       |

Pursuant to the terms of the Tenancy Agreement, the Company shall pay the lease payment on monthly basis by internal resources.

The value (unaudited) of the right-of-use asset recognised by the Company under the Tenancy Agreement amounted to approximately HK\$3,777,000, which is the present value of total consideration payable plus estimated reinstatement cost with the lease at the inception of the lease term under the tenancy agreement in accordance with HKFRS 16. Discount rate of 4.8% is applied to compute the present value of total consideration payable under the Tenancy Agreement.

## **INFORMATION ABOUT THE GROUP, REASONS AND BENEFITS FOR THE TENANCY AGREEMENT**

The Group is principally engaged in (i) the operation of a chain of bars in Hong Kong under two own brand names, namely “Bar Pacific” and “Pacific” and (ii) properties investment. The Directors believe that the Premise is located at a prime location which presents opportunity of network expansion. The terms of the Tenancy Agreement were arrived at after arm’s length negotiation and the rental is determined with reference to the prevailing market rental of similar comparable properties in the nearby areas. The Directors considered that the terms of the Tenancy Agreement were entered into on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

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As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the value of the right-of-use of the Premise under the Tenancy Agreement exceed 5% but are less than 25%, the transaction contemplated thereunder constitutes a discloseable transaction and is subject to the announcement requirement under Chapter 19 of the GEM Listing Rules but exempt from Shareholders’ approval requirement under the GEM Listing Rules.

## **DEFINITION**

|                       |                                                                                                                                                                             |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Board”               | board of Directors                                                                                                                                                          |
| “Company”             | Bar Pacific Group Holdings Limited (太平洋酒吧集團控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares are listed on GEM (stock code: 8432) |
| “connected person(s)” | has the meaning ascribed to it in the GEM Listing Rules                                                                                                                     |
| “Director(s)”         | director(s) of the Company                                                                                                                                                  |
| “GEM”                 | the GEM of the Stock Exchange                                                                                                                                               |
| “GEM Listing Rules”   | the Rules Governing the Listing of Securities on the GEM                                                                                                                    |

|                                |                                                                                                                                                                                                    |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Group”                        | the Company and its subsidiaries                                                                                                                                                                   |
| “HKFRS”                        | Hong Kong Financial Reporting Standards                                                                                                                                                            |
| “Hong Kong”                    | the Hong Kong Special Administrative Region of the PRC                                                                                                                                             |
| “Independent Third Party(ies)” | a party independent of and not connected with the Company and its connected persons                                                                                                                |
| “Premise”                      | the premise situated at the Ground Floor and Cockloft, No. 31 Fung Tak Road, Kowloon                                                                                                               |
| “Shareholder(s)”               | holder(s) of shares of the Company                                                                                                                                                                 |
| “Stock Exchange”               | The Stock Exchange of Hong Kong Limited                                                                                                                                                            |
| “Tenancy Agreement”            | the tenancy agreement dated 15 June 2021 entered into between Bar Pacific IX International Limited (a subsidiary of the Company) as tenant and Lee Shuk Kuen Kitty and Lam I Leong as the landlord |
| “%”                            | per cent.                                                                                                                                                                                          |

By order of the Board  
**Bar Pacific Group Holdings Limited**  
**Chan Ching Mandy**  
*Executive Director*

Hong Kong, 22 June 2021

*As at the date of this announcement, the executive Directors are Ms. Tse Ying Sin Eva (Chairlady and Chief Executive Officer), Ms. Chan Ching Mandy and Ms. Chan Tsz Tung; and the independent non-executive Directors are Mr. Tang Wing Lam David, Mr. Chin Chun Wing and Mr. Yung Wai Kei.*

*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 GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication. This announcement will also be published on the website of the Company at [www.barpacific.com.hk](http://www.barpacific.com.hk).*

*In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.*