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JIA

Central Power Group Limited

中軍集團股份有限公司

(Incorporated in Hong Kong with limited liability)

Jia Group Holdings Limited

佳民集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8519)

JOINT ANNOUNCEMENT

- (1) ACQUISITION OF APPROXIMATELY 60.53% SHAREHOLDING IN JIA GROUP HOLDINGS LIMITED BY CENTRAL POWER GROUP LIMITED;**
- (2) POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER BY BOCOM INTERNATIONAL SECURITIES LIMITED FOR AND ON BEHALF OF CENTRAL POWER GROUP LIMITED FOR ALL THE ISSUED SHARES IN JIA GROUP HOLDINGS LIMITED (OTHER THAN THOSE AGREED TO BE ACQUIRED BY CENTRAL POWER GROUP LIMITED AND/OR PARTIES ACTING IN CONCERT WITH IT); AND**
- (3) RESUMPTION OF TRADING**

Financial adviser to the Offeror



INTRODUCTION

On 4 December 2023, the Company was notified by the chairlady of the Board, Miss Wong Pui Yain that, on 4 December 2023 (non-trading hours), the Offeror and the Selling Shareholders entered into a Share Purchase Agreement, pursuant to which, the Controlling Stake Disposal Group and the Founding Shareholders as the vendors conditionally agreed to sell and the Offeror conditionally agreed to acquire 702,020,000 Shares, representing approximately 60.53% of the total issued share capital of the Company as at the date of this joint announcement. The Consideration for the Sale Shares amounted to HK\$54,476,752, representing approximately HK\$0.0776 per Sale Share, which was agreed between the Offeror and the Selling Shareholders after arm's length negotiations, taking into account (i) the historical operating and financial performance of the Group; (ii) the historical and recent trading prices of the Shares; and (iii) the current market conditions.

All Sale Shares will be acquired free from all encumbrances at Completion, together with all the rights and benefits attaching or may at any time thereafter become attached to such Sale Shares on or after the Completion Date (including the right to all dividends, distributions and any return of capital declared, made or paid, or agreed to be made or paid thereon or in respect thereof on or after the Completion Date). As at the date of this joint announcement, the Company does not have any declared and unpaid dividend and does not have any intention to make, declare or pay any future dividend or make other distributions or any return of capital until the close of the Offers.

Pursuant to the Share Purchase Agreement, Mr. Lo Yeung Kit Alan and Miss Wong Pui Yain agreed to surrender a total of 2,400,000 outstanding Share Options (comprising of (i) 550,000 and 1,000,000 Share Options with an exercise price of HK\$0.1 held by Mr. Lo Yeung Kit Alan and Miss Wong Pui Yain, respectively; and (ii) 850,000 Share Options with an exercise price of HK\$0.13 held by Miss Wong Pui Yain) at nil consideration for cancellation by the Company upon Completion and before the making of the Option Offer. Accordingly, no Surrendered Options will be subject to the Option Offer.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds, controls or has direction over any Shares in the share capital or voting rights of the Company.

As at the date of this joint announcement, the Company has 1,159,780,000 Shares in issue. Assuming no changes to the issued share capital of the Company from the date of this joint announcement to the Completion Date, immediately after Completion, the Offeror Concert Group will be interested in a total of 702,020,000 Shares, representing approximately 60.53% of the issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, subject to and upon Completion, the Offeror will be required to make mandatory unconditional general offers in cash for all the issued Shares held by the Independent Shareholders.

As at the date of this joint announcement, save for 11,350,000 outstanding Share Options, the Company has no outstanding convertible securities, warrants, options or derivatives in issue (as defined in Note 4 to Rule 22 of the Takeovers Code) which may confer any rights to subscribe for, convert or exchange into Shares. Subject to and upon Completion, the Offeror will also make the Option Offer to cancel all the outstanding Share Options (other than the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer) pursuant to Rule 13 of the Takeovers Code.

PRINCIPAL TERMS OF THE SHARE OFFER AND THE OPTION OFFER

The Share Offer

Upon Completion and assuming there is no change to the total issued share capital of the Company from the date of this joint announcement up to the close of the Offers, 457,760,000 Shares will be subject to the Share Offer.

Subject to and upon Completion, BOCOM Securities, on behalf of the Offeror, will make the Share Offer in compliance with the Takeovers Code on the following basis:

For each Share HK\$0.0776 in cash

The Share Offer Price of HK\$0.0776 per Offer Share under the Share Offer is equivalent to the acquisition price per Sale Share payable by the Offeror under the Share Purchase Agreement. The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired shall be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document.

If, after the date of this joint announcement, any dividend, other distributions and/or other return of capital (whether in cash or in kind) is announced, declared, made or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such dividend, other distributions and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this joint announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions or any return of capital prior to and including the Completion Date.

The Option Offer

For cancellation of each Option with an exercise price of:

HK\$0.13 (2,900,000 Options in total) HK\$0.0001 in cash

HK\$0.10 (6,050,000 Options in total) HK\$0.0001 in cash

As at the date of this joint announcement, there were 11,350,000 outstanding Share Options granted under the Share Option Scheme, among which, 3,750,000 Share Options have the exercise price of HK\$0.13 and 7,600,000 Share Options have the exercise price of HK\$0.1, all of the outstanding Share Options were exercisable. Upon Completion, excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer, there will be 8,950,000 Share Options subject to the Option Offer, among which, 2,900,000 Share Options have the exercise price of HK\$0.13 and 6,050,000 Share Options have the exercise price of HK\$0.1.

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds any Share Options. Subject to and upon Completion, BOCOM Securities, on behalf of the Offeror, will make to the Optionholders the Option Offer to cancel all outstanding Share Options in accordance with Rule 13 of the Takeovers Code. Under the Option Offer, BOCOM Securities, on behalf of the Offeror, will offer the Optionholders the Option Offer Price, which in general should be the “see-through” price (being the Share Offer Price minus the relevant exercise price in the case of the outstanding Share Options) for each outstanding Share Option they hold for the cancellation of every Share Option in accordance with Rule 13 of the Takeovers Code. As the exercise price of the Share Options is above the Share Offer Price, the Option Offer Price for cancellation of each of the Share Options is a nominal amount of HK\$0.0001.

Pursuant to the Share Option Scheme, if a general offer is made to all the Shareholders (or all such Shareholders other than the Offeror and/or any person controlled by the Offeror and/or any person acting in concert with the Offeror), and the general offer becomes or is declared unconditional in all respects, the Optionholder shall be entitled to exercise the remaining Share Options (to the extent not already exercised) at any time within one month (or such longer period as the Board shall decide) or the expiry of the term of such Share Option as set forth in the Share Option agreement (whichever is earlier) after the date on which the general offer becomes or is declared unconditional. If the Share Option is not exercised within the time specified, the Share Option will lapse.

Further information on the Option Offer will be set out in a letter to the Optionholders, which will be despatched at or around the same time as the despatch of the Composite Document.

The Option Offer will be extended to all Optionholder(s) in accordance with the Takeovers Code.

Following acceptance of the Option Offer, the relevant Share Options together with all rights attaching thereto will be cancelled and renounced in their entirety. The Share Options in respect of which the Option Offer is not accepted will (to the extent not exercised) automatically lapse upon the close of the Offers.

The Offers will be unconditional in all aspects when made, and will not be conditional upon any minimum level of acceptances being received or any other conditions.

CONFIRMATION OF FINANCIAL RESOURCES

The Consideration for all the Sale Shares under the Share Purchase Agreement is HK\$54,476,752. As at the date of this joint announcement, part of the Consideration, being HK\$3,000,000 have already been deposited to the Controlling Stake Disposal Group. The Remaining Consideration for all the Sale Shares under the Share Purchase Agreement payable by the Offeror will be funded by internal resources of the Offeror. The maximum cash amount to be paid to the Independent Shareholders in respect of acceptances under the Offers is approximately HK\$36,216,696, which will be funded by internal resources of the Offeror.

BOCOM (Asia), the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the amount of funds required for the full acceptances of the Offers and the Remaining Consideration payable.

Interests and Dealings in the Company's Securities

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds, controls or has direction over any Shares, convertible securities, warrants or options or derivatives (as defined in Note 4 to Rule 22 of the Takeovers Code) or has, controls or has direction over any other interests in the issued Shares or voting rights of the Company. None of the members of the Offeror Concert Group has dealt in the Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period prior to the date of this joint announcement.

Offeror's Intention on the Company

Upon Completion, the Offeror will become the controlling shareholder of the Company and it is expected to be directly interested in approximately 60.53% of the total issued share capital of the Company. It is the intention of the Offeror that the Group will continue to operate its business in substantially its current state (except for the proposed changes to the members of the Board as detailed in the paragraph headed "*Proposed Change to the Board Composition of the Company*" below) upon Completion.

It is the intention of the Offeror that the Company will continue to focus on the development of its existing catering related businesses. Upon the close of the Offers, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy for the Group's long-term development and will explore other business opportunities for the Group. Subject to the results of the aforesaid review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company. Notwithstanding the above, as at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Company has established the Independent Board Committee comprising all the independent non-executive Directors (other than Mr. Wee Keng Hiong Tony), namely Mr. Devin Nijanthan Chanmugam and Mr. Leung Yuk Lun Ulric, to advise the Independent Shareholders and the Optionholders as to whether the Offers are fair and reasonable, and as to acceptance of the Offers.

As at the date of this joint announcement, Mr. Wee Keng Hiong Tony has indicated that he does not intend to accept the Share Offer. As such, he is not a member of the Independent Board Committee.

An independent financial adviser will be appointed by the Company (with the approval of the Independent Board Committee) to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. A further announcement will be made by the Company as soon as possible after the appointment of the independent financial adviser.

DESPATCH OF THE COMPOSITE DOCUMENT

If the Offers are made, it is the intention of the Offeror and the Company that the Composite Document comprising the offer document from the Offeror and the response document from the Company be jointly despatched by the Offeror and the Company to the Shareholders and the Optionholders in accordance with the requirements of the Takeovers Code.

The Composite Document will contain, among other things, (i) details of the Offers (including the expected timetable and terms of the Offers), (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders in relation to the Offers, (iii) a letter of advice from the independent financial adviser to the Independent Board Committee in relation to the Offers, and (iv) the forms of acceptance. Pursuant to Rule 8.2 of the Takeovers Code, the Offeror and the Company are required to despatch the Composite Document to the Shareholders and the Optionholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve.

As the making of the Offers is subject to Completion, which in turn is subject to satisfaction and/or waiver of the Conditions, the Offeror may apply to the Executive for a consent to delay the despatch of the Composite Document pursuant to Rule 8.2 of the Takeovers Code (if required).

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 5 December 2023 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 8 December 2023.

THE SHARE PURCHASE AGREEMENT

On 4 December 2023, the Company was notified by the chairlady of the Board, Miss Wong Pui Yain that, on 4 December 2023 (non-trading hours), the Offeror and the Selling Shareholders entered into a Share Purchase Agreement. The principal terms of the Share Purchase Agreement are as follows:–

Date

4 December 2023

Parties

Offeror: Central Power Group Limited

Selling Shareholders: The Controlling Stake Disposal Group; and
The Founding Shareholders.

Subject matter

Pursuant to the Share Purchase Agreement, the Controlling Stake Disposal Group and the Founding Shareholders as the vendors conditionally agreed to sell and the Offeror conditionally agreed to acquire 702,020,000 Shares, representing approximately 60.53% of the total issued share capital of the Company as at the date of this joint announcement.

Details of the Sale Shares

Pursuant to the Share Purchase Agreement, the Controlling Stake Disposal Group and the Founding Shareholders conditionally agreed to sell approximately 51.07% and approximately 9.46% of the total issued share capital of the Company, respectively, at a consideration of HK\$0.0776 per Share, details of which are set out as below:

- (i) Selling Shareholder 1 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 409,670,000 Shares, representing approximately 35.32% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$31,790,392 (representing approximately HK\$0.0776 per Sale Share);
- (ii) Selling Shareholder 2 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 51,610,000 Shares, representing approximately 4.45% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$4,004,936 (representing approximately HK\$0.0776 per Sale Share);

- (iii) Selling Shareholder 3 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 79,766,000 Shares, representing approximately 6.88% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$6,189,841.6 (representing approximately HK\$0.0776 per Sale Share);
- (iv) Selling Shareholder 4 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 51,280,000 Shares, representing approximately 4.42% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$3,979,328 (representing approximately HK\$0.0776 per Sale Share);
- (v) Selling Shareholder 5 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 34,140,000 Shares, representing approximately 2.94% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$2,649,264 (representing approximately HK\$0.0776 per Sale Share);
- (vi) Selling Shareholder 6 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 31,864,000 Shares, representing approximately 2.75% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$2,472,646.4 (representing approximately HK\$0.0776 per Sale Share);
- (vii) Selling Shareholder 7 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 16,510,000 Shares, representing approximately 1.42% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$1,281,176 (representing approximately HK\$0.0776 per Sale Share);
- (viii) Selling Shareholder 8 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 15,790,000 Shares, representing approximately 1.36% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$1,225,304 (representing approximately HK\$0.0776 per Sale Share);

- (ix) Selling Shareholder 9 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 9,300,000 Shares, representing approximately 0.80% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$721,680 (representing approximately HK\$0.0776 per Sale Share); and
- (x) Selling Shareholder 10 has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 2,090,000 Shares, representing approximately 0.18% of the existing issued share capital of the Company as at the date of this joint announcement, for a total consideration of HK\$162,184 (representing approximately HK\$0.0776 per Sale Share).

All Sale Shares will be acquired free from all encumbrances at Completion, together with all the rights and benefits attaching or may at any time thereafter become attached to such Sale Shares on or after the Completion Date (including the right to all dividends, distributions and any return of capital declared, made or paid, or agreed to be made or paid thereon or in respect thereof on or after the Completion Date).

If, after the date of this joint announcement, any dividend, other distribution and/or other return of capital (whether in cash or in kind) is announced, declared, made or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such dividend, other distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this joint announcement, the Composite Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced.

As at the date of this joint announcement, the Company does not have any declared and unpaid dividend and does not have any intention to make, declare or pay any future dividend or make other distributions or any return of capital until the close of the Offers.

Pursuant to the Share Purchase Agreement, Mr. Lo Yeung Kit Alan and Miss Wong Pui Yain agreed to surrender a total of 2,400,000 outstanding Share Options (comprising of (i) 550,000 and 1,000,000 Share Options with an exercise price of HK\$0.1 held by Mr. Lo Yeung Kit Alan and Miss Wong Pui Yain, respectively; and (ii) 850,000 Share Options with an exercise price of HK\$0.13 held by Miss Wong Pui Yain) at nil consideration for cancellation by the Company upon Completion and before the making of the Option Offer. Accordingly, no Surrendered Options will be subject to the Option Offer.

Consideration for the Sale Shares

The Consideration in the aggregate sum of HK\$54,476,752 for the Sale Shares represents a consideration of approximately HK\$0.0776 per Sale Share, which was agreed between the Offeror and the Selling Shareholders after arm's length negotiations, taking into account (i) the historical operating and financial performance of the Group; (ii) the historical and recent trading prices of the Shares; and (iii) the current market conditions. As at the date of this joint announcement, part of the Consideration, being HK\$3,000,000, have already been deposited to the Controlling Stake Disposal Group. The Offeror will pay the respective Remaining Consideration payable by way of cash to each of the Selling Shareholders' designated accounts on the Completion Date.

Conditions Precedent to Completion

Completion is conditional upon the fulfilment or waiver of the following Conditions:-

- (a) each of the Selling Shareholders and the Offeror have complied with their respective commitments, obligations and conditions as set out in the Share Purchase Agreement on or before the Completion Date, including but not limited to Cancellation of Surrendered Options;
- (b) the representations and warranties under the Share Purchase Agreement remaining true and accurate in all material respects and not misleading in any material respects;
- (c) (i) this joint announcement and the cash confirmation prepared by the Offeror's financial adviser have been submitted to the Executive, (ii) the Executive confirmed that they have no further comment on this joint announcement and (iii) the Company has published this joint announcement on the Company's and Stock Exchange's website;
- (d) none of the following has occurred: (i) circumstances that would have arisen or are reasonably foreseeable to arise, which would have a material adverse effect on the assets and value of the Group; (ii) a change in the share capital of the Company (other than the sales and purchases of the Shares in the secondary market); (iii) any event or circumstance that would materially affect or is reasonably to expect that it will materially affect the listing status of the Company; and
- (e) there are no existing or potential claims made by (i) the Group, each of the Selling Shareholders, or the Offeror against any government authority, or (ii) any government authority against the Group, each of the Selling Shareholders, or the Offeror, that would restrict or materially impact the Proposed Transaction, and, in the reasonable and honest belief of the Offeror, would prohibit the completion of the Proposed Transaction or render it unlawful, or would result in a material adverse effect on the Proposed Transaction.

Save for Condition (c) and (e), the Offeror may at any time waive in writing any of the Conditions set out above. The parties to the Share Purchase Agreement shall use their respective best endeavours to procure the fulfillment of the Conditions as soon as practicable and in any event before the Long Stop Date. As at the date of this joint announcement, save for Condition (a), (i) Condition (c) has been fulfilled and (ii) Conditions (b), (d) and (e) have been fulfilled and are expected to continue to be fulfilled on the Completion Date as to the best of the knowledge of the Offeror, the Company and each of the Selling Shareholders and having made all reasonable enquiries, there is no foreseeable circumstance which will (i) materially affect the accuracy of the representations and warranties under the Share Purchase Agreement, (ii) materially affect the listing status of the Company or (iii) prohibit Completion or render Completion unlawful or would result in material adverse effect on the Proposed Transaction on or before Completion Date.

Completion

Completion will take place upon the fulfillment (or waiver) of all of the Conditions. Pursuant to the Share Purchase Agreement, the completion of each of the acquisition of the respective Sale Shares held by each of the Selling Shareholders by the Offeror shall be inter-conditional to one another and will take place simultaneously. It is expected that Completion will take place within 10 Business Days after the publication of this joint announcement. Accordingly, upon Completion, the Offeror is expected to hold 702,020,000 Shares (approximately 60.53% of the existing issued share capital of the Company as at the date of this joint announcement), and the Selling Shareholders will cease to hold any Shares in the Company.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this joint announcement, the Company has 1,159,780,000 Shares in issue and 11,350,000 outstanding Share Options.

Effects on the Shareholding Structure of the Company

The following table sets out the shareholding structure of the Company (i) as at the date of this joint announcement; (ii) immediately after Completion (assuming none of the Share Options has been exercised and there is no change to the issued share capital of the Company since the date of this joint announcement); and (iii) immediately after Completion (assuming all Share Options (excluding the Surrendered Options as all Surrendered Options will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer) have been exercised and there is no change to the issued share capital of the Company since the date of this joint announcement):

	As at the date of this joint announcement			Immediately after Completion (assuming none of the Share Options (excluding the Surrendered Options for the reasons set out in the paragraph above) has been exercised) <i>(Notes 2 and 3)</i>		Immediately after Completion (assuming all Share Options (excluding the Surrendered Options for the reasons set out in the paragraph above) have been exercised before the Offers) <i>(Notes 2 and 3)</i>	
	Number of Shares held	% of Shares in issue <i>(Note 1)</i>	Number of Share Options held	Number of Shares held	% of Shares in issue <i>(Note 1)</i>	Number of Shares held	% of Shares in issue <i>(Note 1)</i>
The Selling Shareholders							
Selling Shareholder 1	409,670,000	35.32	-	-	-	-	-
Selling Shareholder 2	51,610,000	4.45	550,000 <i>(Note 3)</i>	-	-	-	-
Selling Shareholder 3	79,766,000	6.88	1,850,000 <i>(Note 3)</i>	-	-	-	-
Selling Shareholder 4	51,280,000	4.42	-	-	-	-	-
Selling Shareholder 5	34,140,000	2.94	-	-	-	-	-
Selling Shareholder 6	31,864,000	2.75	-	-	-	-	-
Selling Shareholder 7	16,510,000	1.42	-	-	-	-	-
Selling Shareholder 8	15,790,000	1.36	-	-	-	-	-
Selling Shareholder 9	9,300,000	0.80	-	-	-	-	-
Selling Shareholder 10	2,090,000	0.18	-	-	-	-	-
Subtotal	702,020,000	60.53	2,400,000	-	-	-	-
Directors							
Wan Suet Yee Cherry	-	-	1,850,000	-	-	1,850,000	0.16

	As at the date of this joint announcement			Immediately after Completion (assuming none of the Share Options (excluding the Surrendered Options for the reasons set out in the paragraph above) has been exercised) (Notes 2 and 3)		Immediately after Completion (assuming all Share Options (excluding the Surrendered Options for the reasons set out in the paragraph above) have been exercised before the Offers) (Notes 2 and 3)	
	Number of Shares held	% of Shares in issue (Note 1)	Number of Share Options held	Number of Shares held	% of Shares in issue (Note 1)	Number of Shares held	% of Shares in issue (Note 1)
Independent non-executive Directors							
Devin Nijanthan Chanmugam	-	-	750,000	-	-	750,000	0.06
Leung Yuk Lun Ulric	-	-	750,000	-	-	750,000	0.06
Wee Keng Hiong Tony (Note 4)	1,000,000	0.09	750,000	1,000,000	0.09	1,750,000	0.15
Subtotal	1,000,000	0.09	4,100,000	1,000,000	0.09	5,100,000	0.44
Offeror	-	-	-	702,020,000	60.53	702,020,000	60.07
Subtotal	-	-	-	702,020,000	60.53	702,020,000	60.07
Other Shareholders	456,760,000	39.38	4,850,000	456,760,000	39.38	461,610,000	39.49
Total	1,159,780,000	100.00	11,350,000	1,159,780,000	100.00	1,168,730,000	100.00

Notes:

1. The above percentage figures are subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.
2. Pursuant to the Share Option Scheme, if the Share Options granted to the Optionholders are not exercised within one month (or any other period agreed upon by the Board) after the mandatory general offer becomes unconditional, the Share Options will lapse.
3. Selling Shareholder 2 and Selling Shareholder 3 shall surrender all of the Share Options held by him/her upon Completion as agreed pursuant to the Share Purchase Agreement for cancellation by the Company upon Completion and before the making of the Option Offer. Accordingly, no Surrendered Options will be subject to the Option Offer.
4. As at the date of this joint announcement, Mr. Wee Keng Hiong Tony has indicated that he does not intend to accept the Share Offer; however, no irrevocable undertaking regarding whether to accept or reject the Share Offer was provided by Mr. Wee Keng Hiong Tony.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THIS JOINT ANNOUNCEMENT

The Company did not carry out any equity fund raising activities in the 12 months period immediately before the date of this joint announcement.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds, controls or has direction over any Shares in the share capital or voting rights of the Company.

As at the date of this joint announcement, the Company has 1,159,780,000 Shares in issue. Assuming no changes to the issued share capital of the Company from the date of this joint announcement to the Completion Date, immediately after Completion, the Offeror Concert Group will be interested in a total of 702,020,000 Shares, representing approximately 60.53% of the issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, subject to and upon Completion, the Offeror will be required to make mandatory unconditional general offers in cash for all the issued Shares held by the Independent Shareholders.

As at the date of this joint announcement, save for 11,350,000 outstanding Share Options, the Company has no outstanding convertible securities, warrants, options or derivatives in issue (as defined in Note 4 to Rule 22 of the Takeovers Code) which may confer any rights to subscribe for, convert or exchange into Shares. Subject to and upon Completion, the Offeror will also make the Option Offer to cancel all the outstanding Share Options (other than the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer) pursuant to Rule 13 of the Takeovers Code.

PRINCIPAL TERMS OF THE SHARE OFFER AND THE OPTION OFFER

The Share Offer

Upon Completion and assuming there is no change to the total issued share capital of the Company from the date of this joint announcement up to the close of the Offers, 457,760,000 Shares will be subject to the Share Offer.

Subject to and upon Completion, BOCOM Securities, on behalf of the Offeror, will make the Share Offer in compliance with the Takeovers Code on the following basis:

For each Share HK\$0.0776 in cash

The Share Offer Price of HK\$0.0776 per Offer Share under the Share Offer is equivalent to the acquisition price per Sale Share payable by the Offeror under the Share Purchase Agreement. The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired shall be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document. The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions or any return of capital prior to and including the Completion Date.

The Option Offer

As at the date of this joint announcement, there were 11,350,000 outstanding Share Options granted under the Share Option Scheme, among which, 3,750,000 Share Options have the exercise price of HK\$0.13 and 7,600,000 Share Options have the exercise price of HK\$0.1, all of the outstanding Share Options were exercisable. Upon Completion, excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer, there will be 8,950,000 Share Options subject to the Option Offer, among which, 2,900,000 Share Options have the exercise price of HK\$0.13 and 6,050,000 Share Option have the exercise price of HK\$0.1.

For cancellation of each Option with an exercise price of:

HK\$0.13 (2,900,000 Options in total) HK\$0.0001 in cash

HK\$0.10 (6,050,000 Options in total) HK\$0.0001 in cash

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds any Share Options. Subject to and upon Completion, BOCOM Securities, on behalf of the Offeror, will make to the Optionholders the Option Offer to cancel all outstanding Share Options in accordance with Rule 13 of the Takeovers Code. Under the Option Offer, BOCOM Securities, on behalf of the Offeror, will offer the Optionholders the Option Offer Price, which in general should be the “see-through” price (being the Share Offer Price minus the relevant exercise price in the case of the outstanding Share Options) for each outstanding Share Option (excluding the Surrendered Options for the reasons set out above) they hold for the cancellation of every Share Option in accordance with Rule 13 of the Takeovers Code. As the exercise price of the Share Options is above the Share Offer Price, the Option Offer Price for cancellation of each of the Share Options is a nominal amount of HK\$0.0001.

Pursuant to the Share Option Scheme, if a general offer is made to all the Shareholders (or all such Shareholders other than the Offeror and/or any person controlled by the Offeror and/or any person acting in concert with the Offeror), and the general offer becomes or is declared unconditional in all respects, the Optionholder shall be entitled to exercise the remaining Share Options (to the extent not already exercised) at any time within one month (or such longer period as the Board shall decide) or the expiry of the term of such Share Option as set forth in the Share Option agreement (whichever is earlier) after the date on which the general offer becomes or is declared unconditional. If the Share Option is not exercised within the time specified, the Share Option will lapse.

Further information on the Option Offer will be set out in a letter to the Optionholders, which will be despatched at or around the same time as the despatch of the Composite Document.

The Option Offer will be extended to all Optionholder(s) in accordance with the Takeovers Code.

Following acceptance of the Option Offer, the relevant Share Options together with all rights attaching thereto will be cancelled and renounced in their entirety. The Share Options in respect of which the Option Offer is not accepted will (to the extent not exercised) automatically lapse upon the close of the Offers.

The Offers will be unconditional in all aspects when made and will not be conditional upon any minimum level of acceptances being received or any other conditions.

Share Offer Price and Comparison of Value

The Share Offer Price of HK\$0.0776 per Offer Share represents:

- (i) a premium of approximately 14.1% over the closing price of HK\$0.068 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 12.8% over the average closing price of approximately HK\$0.0688 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 6.7% over the average closing price of approximately HK\$0.0727 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 22.2% over the average closing price of approximately HK\$0.0635 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 54.6% over the average closing price of approximately HK\$0.0502 per Share as quoted on the Stock Exchange for the last 90 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 3235.8% over the audited consolidated net asset value per Share attributable to owners of the Company of approximately HK\$0.0023263 per Share as at 31 December 2022, based on a total of 1,159,780,000 Shares in issue as at the date of this joint announcement and the audited consolidated net assets value attributable to owners of the Company of approximately HK\$2.7 million as at 31 December 2022; and
- (vii) a premium of approximately 1180.6% over the unaudited consolidated net asset value per Share attributable to owners of the Company of approximately HK\$0.0060598 per Share as at 30 June 2023, based on a total of 1,159,780,000 Shares in issue as at the date of this joint announcement and the audited consolidated net asset value attributable to owners of the Company of approximately HK\$7.0 million as at 30 June 2023.

Highest and Lowest Share Prices of Shares

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the Last Trading Day and including the Last Trading Day were HK\$0.085 per Share (on 27 November 2023) and HK\$0.034 per Share (on 3 October 2023, 5 October 2023, 6 October 2023 and 9 October 2023), respectively.

Value of the Offers

As at the date of this joint announcement, the Company has a total of 1,159,780,000 Shares in issue and 11,350,000 outstanding Share Options.

Upon Completion and assuming that there is no other change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offers:

- (i) Assuming no outstanding Share Options (excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement) are exercised, and the Share Offer and Option Offer are accepted in full:
 - (a) the value of the Share Offer will be approximately HK\$35,522,176; and
 - (b) the total amount to satisfy the cancellation of all outstanding Share Options will be approximately HK\$895.

Therefore, the total cash consideration payable by the Offeror under the Offers would be approximately HK\$35,523,071.

- (ii) Assuming all outstanding Share Options (excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement) are exercised in full, and the Share Offer is accepted in full (including all Shares issued and allotted as a result of the exercise of all such Share Options):
 - (a) the value of the Share Offer will be approximately HK\$36,216,696; and
 - (b) no amount will be payable by the Offeror under the Option Offer.

Therefore, the total cash consideration payable by the Offeror under the Offers would be approximately HK\$36,216,696.

Using the highest figure from the above scenarios, the maximum total consideration to be paid by the Offeror under the Offers is approximately HK\$36,216,696.

Value of the Company

Based on the acquisition price per share of the Sale Share and Offer Price of HK\$0.0776 and the issued share capital of 1,159,780,000 Shares as at the date of this joint announcement, upon Completion and assuming all the Share Options (excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement) are not exercised and there is no other change in the issued share capital of the Company until the close of the Offers, the entire issued share capital of the Company is valued at HK\$89,998,928.

Assuming all the 8,950,000 outstanding Share Options (excluding the Surrendered Options which will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement) are exercised in full before the close of the Offers and there is no other change in the issued share capital of the Company from the date of this joint announcement and up to the close of the Offers, the entire issued share capital of the Company would be valued at HK\$90,693,448.

Confirmation of Financial Resources

The Consideration for all the Sale Shares under the Share Purchase Agreement is HK\$54,476,752. As at the date of this joint announcement, part of the Consideration, being HK\$3,000,000 have already been deposited to the Controlling Stake Disposal Group. The Remaining Consideration payable under the Share Purchase Agreement for all of the Sale Shares amounted to HK\$51,476,752. The Remaining Consideration for all the Sale Shares under the Share Purchase Agreement payable by the Offeror will be funded by internal resources of the Offeror.

The maximum cash amount to be paid to the Independent Shareholders in respect of acceptances under the Offers is approximately HK\$36,216,696, which will be funded by internal resources of the Offeror.

BOCOM (Asia), the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the amount of funds required for the full acceptances of the Offers and the Remaining Consideration payable.

Interests and Dealings in the Company's Securities

As at the date of this joint announcement, none of the members of the Offeror Concert Group holds, controls or has direction over any Shares, convertible securities, warrants or options or derivatives (as defined in Note 4 to Rule 22 of the Takeovers Code) or has, controls or has direction over any other interests in the issued Shares or voting rights of the Company. None of the members of the Offeror Concert Group has dealt in the Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period prior to the date of this joint announcement.

Effect of Accepting the Offers

Provided that valid acceptance forms and the relevant certificate(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are complete and have been received by the branch share registrar of the Company in Hong Kong, the Independent Shareholders will sell their tendered Shares to the Offeror free from all encumbrances and together with all rights attaching to them, including, without limitation, the rights to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of despatch of the Composite Document.

Acceptances of the Option Offer by Optionholders will result in the cancellation of those outstanding Share Options, together with all rights attaching thereto. Share Options in respect of which the Option Offer is not accepted will (to the extent not exercised) automatically lapse upon the close of the Offers.

Acceptances of the Offers will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Payment in cash in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) following the date on which the duly completed acceptance forms of the Offers and the relevant documents of title of the Offer Shares or the Share Options (as the case may be) in respect of such acceptance are received by the Offeror to render such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of the consideration payable to an Independent Shareholder or Optionholder who accepts the Offers will be rounded up to the nearest cent.

Overseas Shareholders

The Offeror intends to make the Offers available to all Independent Shareholders and Optionholders, including those with a registered address in a jurisdiction outside Hong Kong. The availability of the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offers to persons not resident in Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. The overseas Shareholders and overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal or other professional advice. It is the responsibilities of the overseas Shareholders and overseas Optionholders who are not resident in Hong Kong and wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such overseas Shareholders and overseas Optionholders in respect of such jurisdictions).

Any acceptance by the Shareholders and/or the Optionholders and beneficial owners of the Shares and Share Options who are citizens, residents or nationals of a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such persons to the Offeror that the local laws and requirements have been complied with. Shareholders and/or Optionholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

In the event that the receipt of the Composite Document by overseas Shareholders and/or overseas Optionholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror regard as unduly burdensome to do so in such overseas jurisdictions, and subject to the Executive's consent, the Composite Document may not be despatched to such overseas Shareholders and/or overseas Optionholders. For that purpose, the Offeror will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Composite Document to such overseas Shareholders and/or overseas Optionholders. In granting the waiver, the Executive will be concerned to see that all material information in the Composite Document is made available

to such overseas Shareholders and/or overseas Optionholders. If any such waiver is granted by the Executive, the Offeror reserves the right to make arrangements in respect of the Shareholders and/or Optionholders not resident in Hong Kong in relation to the terms of the Offers. Such arrangements may include notifying any matter in connection with the Offers to the Shareholders and/or Optionholders having a registered overseas address by announcement or by advertisement in a newspaper which may or may not be circulated in the jurisdiction within which such persons are resident. The notice will be deemed to have been sufficiently given despite any failure by such Shareholders and/or Optionholders to receive or see that notice.

Hong Kong Stamp Duty

Seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Share Offer will be payable by the relevant Shareholders at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, and will be deducted from the amount payable to the relevant Shareholder on acceptance of the Share Offer (where the stamp duty calculated includes a fraction of HK\$1.00, the stamp duty would be rounded-up to the nearest HK\$1.00). The Offeror will arrange for payment of the sellers' Hong Kong ad valorem stamp duty on behalf of accepting Shareholders and pay the buyer's Hong Kong ad valorem stamp duty in connection with such Offer Shares and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the acceptance of the Option Offer.

Taxation Advice

Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the members of the Offeror Concert Group, the Company, BOCOM (Asia), BOCOM Securities, or their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Other Arrangements

The Offeror confirms that, save as disclosed herein, as at the date of this joint announcement:

- (i) none of the members of the Offeror Concert Group owns or has control or direction over any voting rights of the Company or rights over the Shares, options, derivatives, warrants or other securities convertible into Shares;
- (ii) none of the members of the Offeror Concert Group has received any irrevocable commitment to accept or reject the Offers;
- (iii) save for the Proposed Transaction, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offers;

- (iv) save for the Proposed Transaction, the Share Purchase Agreement and the Conditions, there is no agreement or arrangement to which any member of the Offeror Concert Group is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (v) apart from the Consideration for the Sale Shares, there is no other consideration, compensation or benefit in whatever form paid or to be paid by any member of the Offeror Concert Group to any of the Selling Shareholders or any parties acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (vi) other than the Proposed Transaction, the material terms of which have been disclosed in the paragraph headed "*The Share Purchase Agreement*" of this joint announcement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any member of the Offeror Concert Group on the one hand and any member of the Selling Shareholders and any party acting in concert with any of them on the other hand;
- (vii) other than the Proposed Transaction, the material terms of which have been disclosed in the paragraph headed "*The Share Purchase Agreement*" of this joint announcement, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder; and (2)(a) any member of the Offeror Concert Group or (b) the Company and any subsidiaries or associated companies of the Company; and
- (viii) none of the members of the Offeror Concert Group has entered into any arrangement or contract in relation to any outstanding derivative in respect of securities in the Company nor has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

GENERAL

Offeror's Intention on the Company

Upon Completion, the Offeror will become the controlling shareholder of the Company and it is expected to be directly interested in approximately 60.53% of the total issued share capital of the Company. It is the intention of the Offeror that the Group will continue to operate its business in substantially its current state (except for the proposed changes to the members of the Board as detailed in the paragraph headed "*Proposed Change to the Board Composition of the Company*" below).

It is the intention of the Offeror that the Company will continue to focus on the development of its existing catering related businesses. Upon the close of the Offers, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy for the Group's long-term development and will explore other business opportunities for the Group. Subject to the results of the aforesaid review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company. Notwithstanding the above, as at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

Proposed Change to the Board Composition of the Company

To minimize any potential disruptions to the business and day-to-day operations of the Group due to the Proposed Transaction contemplated under the Share Purchase Agreement, Ms. Wan Suet Yee Cherry will remain as executive Director, and Ms. Foo Man Yee, Carina will remain as the secretary of the Company upon Completion. It is intended that save for Ms. Wan Suet Yee Cherry, all other existing directors of the Board will resign from the earliest time permitted under the Takeovers Code. Nonetheless, the Offeror intends to nominate not less than 6 director(s) to the Board with effect from the earliest time permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

Maintaining the Listing Status of the Company

Pursuant to the GEM Listing Rules, if, upon closing of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25%, of the Shares are held by the public or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares or (ii) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend trading in the Shares until a level of sufficient public float is attained. The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offers and will take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offers.

Information About the Offeror

The Offeror is a company incorporated in Hong Kong. It is held as to 51% by Mr. Peng Ben, 49% by Mr. Zhao Hong. The principal activity of the Offeror is investment holding, which is established on 6 July 2023 solely for the purpose of holding the Company upon Completion.

The biography details of Mr. Peng Ben and Mr. Zhao Hong are set out as below:

Mr. Peng Ben, aged 34, is the sole director of the Offeror. He served as the general manager of Sino-Market Technology Group Co., Ltd. (中市技術集團有限公司), a company primarily engaged in engineering, consultancy and project management, from August 2015 to December 2017. In 2020, he founded Hunan Xiangdu Nongchuang Agricultural Technology Co., Ltd.* (湖南湘都農創農業科技有限公司), a company primarily engaged in the business of agricultural technology development and consultancy services, where he also served as the executive director from March 2020 to July 2022. In October 2022, Mr. Peng Ben completed the EMBA Distinct Director Advanced Course* (清大EMBA工商管理卓越總裁高級研修項目) offered by the BeiQing Institute of Economics and Management* (北清經管高等研究院). In April 2023, he founded Changsha Yunchan Technology Co., Ltd.* (長沙雲藥科技有限責任公司), a company primarily engaged in the provision of software and information technology services. Mr. Peng Ben is currently the general manager of Changsha Aojiaohuola Catering Services Co., Ltd.* (長沙傲椒火辣餐飲服務有限公司) and Changsha Tianxiangfu Catering Services Co., Ltd.* (長沙天湘府餐飲有限公司) which are both principally engaged in the catering business in the PRC.

Mr. Zhao Hong, aged 46, obtained a degree in hotel management from Hunan Agricultural University (湖南農業大學) in 1998. In 2004, he began to operate his own internet café chain in Hunan Province, the PRC, and over the course of 13 years, managed over 150 branches in his internet café chain. Between May 2013 and September 2017, Mr. Zhao Hong was the vice chairman of Hunan Province Internet Café Association* (湖南省網吧協會). Since August 2020, he has been serving as the general manager of the Changsha branch company of China Aerospace Changsha Cheyida New Energy Technology Co., Ltd.* (中國航天長沙車億達新能源科技有限公司), a company primarily engaged in the development of new energy vehicles, where he was responsible for the overall management and operations of the company. He is currently the deputy general manager of Changsha Aojiaohuola Catering Services Co., Ltd.* (長沙傲椒火辣餐飲服務有限公司) which is principally engaged in the catering business in the PRC.

Information on the Group

The Company is an investment holding company. The Group is a well-known hospitality group which is principally engaged in the operation of restaurants in Hong Kong, brands managed by the Company includes “Duddell’s”, “Louise”, “MONO”, “Andō”, “Estro”, “22 Ships”, “MakMak” and “Chachawan”.

Set out below is a summary of the audited financial information of the Group for each of the two financial years ended 31 December 2021 and 2022 and the unaudited financial information of the Group for the six months ended 30 June 2023 as extracted from the annual reports of the Company for the years ended 31 December 2021 and 2022 and the interim report of the Company for the six months ended 30 June 2023, respectively:

	For the six months ended 30 June 2023 (HKD'000)	For the year ended 31 December	
		2022 (HKD'000)	2021 (HKD'000)
Revenue	142,769	217,005	221,344
Profit/(Loss) before taxation	3,822	(22,409)	(19,295)
Profit/(Loss) and total comprehensive expense for the period/year	3,688	(23,000)	(21,262)
	As at 30 June 2023 (HKD'000)	As at 31 December	
		2022 (HKD'000)	2021 (HKD'000)
Total assets	92,874	98,557	136,026
Total liabilities	92,050	101,421	116,274
Net assets/(liabilities)	824	(2,864)	19,752
Net assets attributable to the Shareholders	7,028	2,698	21,953

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Company has established the Independent Board Committee comprising all the independent non-executive Directors (other than Mr. Wee Keng Hiong Tony), namely Mr. Devin Nijanthan Chanmugam and Mr. Leung Yuk Lun Ulric, to advise the Independent Shareholders and the Optionholders as to whether the Offers are fair and reasonable, and as to acceptance of the Offers.

As at the date of this joint announcement, Mr. Wee Keng Hiong Tony has indicated that he does not intend to accept the Share Offer. As such, he is not a member of the Independent Board Committee.

An independent financial adviser will be appointed by the Company (with the approval of the Independent Board Committee) to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. A further announcement will be made by the Company as soon as possible after the appointment of the independent financial adviser.

DESPATCH OF THE COMPOSITE DOCUMENT

If the Offers are made, it is the intention of the Offeror and the Company that the Composite Document comprising the offer document from the Offeror and the response document from the Company be jointly despatched by the Offeror and the Company to the Shareholders and the Optionholders in accordance with the requirements of the Takeovers Code.

The Composite Document will contain, among other things, (i) details of the Offers (including the expected timetable and terms of the Offers), (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders in relation to the Offers, (iii) a letter of advice from the independent financial adviser to the Independent Board Committee in relation to the Offers, and (iv) the forms of acceptance. Pursuant to Rule 8.2 of the Takeovers Code, the Offeror and the Company are required to despatch the Composite Document to the Shareholders and the Optionholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve.

As the making of the Offers is subject to Completion, which in turn is subject to satisfaction and/or waiver of the Conditions, the Offeror may apply to the Executive for a consent to delay the despatch of the Composite Document pursuant to Rule 8.2 of the Takeovers Code (if required).

DEALING DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code and including a person who owns or controls 5% or more of any class of relevant securities) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code. In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation. ”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 5 December 2023 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 8 December 2023.

WARNINGS:

The making of the Offers is subject to Completion which in turn is subject to satisfaction and/or waiver of the Conditions contained in the Share Purchase Agreement. The Offers therefore may or may not be made. This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders, Optionholders and potential investors of the Company of the possibility that the Offers may be made. Shareholders and Optionholders are encouraged to read the Composite Document carefully, including the advice of the independent financial adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders in respect of the Offers, before deciding whether or not to accept the Offers. Shareholders, Optionholders and potential investors are advised to exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

“Board”	the board of directors of the Company
“BOCOM (Asia)”	BOCOM International (Asia) Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser of the Offeror in connection with the Offers
“BOCOM Securities”	BOCOM International Securities Limited, a corporation licensed by the SFC to carry on Type 1 (dealing in securities), Type 2 (dealing in future contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the SFO, being the agent making the Offers on behalf of the Offeror and BOCOM (Asia)
“Business Day(s)”	a day (excluding Saturday and Sunday and/or any other day on which a licensed bank is not open) on which licensed banks in Hong Kong or the PRC are open for business
“Cancellation of Surrendered Options”	the cancellation of the Surrendered Options by the Company upon Completion pursuant to the Share Purchase Agreement

“Company”	Jia Group Holdings Limited (佳民集團有限公司) (Stock Code: 8519), an exempted company incorporated in the Cayman Islands with limited liability. The Shares of which are listed on the GEM of the Stock Exchange
“Completion”	completion of the sale and purchase of all of the Sale Shares under the Share Purchase Agreement
“Completion Date”	the date of Completion
“Composite Document”	the proposed composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders and the Optionholders in relation to the Offers in accordance with the Takeovers Code containing, among other things, details of the Offers (accompanied by the form of acceptance and transfer), the letter of recommendation from the Independent Board Committee and the letter of advice from the independent financial adviser to the Independent Board Committee
“Condition(s)”	the conditions set out in the paragraph headed “ <i>Conditions Precedent to Completion</i> ” in this joint announcement
“Consideration”	the consideration for the Sale Shares pursuant to the Share Purchase Agreement, being HK\$54,476,752 in aggregate
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and, unless the context requires otherwise, refers to Giant Mind International Limited (being Selling Shareholder 1), which is in turn wholly-owned by Selling Shareholder 3, Mr. Lo Yeung Kit, Alan (being Selling Shareholder 2) and Miss Wong Pui Yain (being Selling Shareholder 3), currently and collectively hold approximately 46.65% of the total issued share capital of the Company as at the date of this joint announcement
“Controlling Stake Disposal Group”	the Controlling Shareholders and the Second Largest Shareholder, collectively hold approximately 51.07% of the total issued share capital of the Company as at the date of this joint announcement
“Director(s)”	director(s) of the Company
“Executive”	the executive director of the Corporate Finance Division of the SFC from time to time and any delegate of such executive director
“Founding Shareholder(s)”	Selling Shareholder 5, Selling Shareholder 6, Selling Shareholder 7, Selling Shareholder 8, Selling Shareholder 9, and Selling Shareholder 10, each being the founding shareholder of the Company before the trading of the Shares in 2018 and they in aggregate hold 109,694,000 Shares as at the date of this joint announcement, representing approximately 9.46% of the total issued share capital of the Company

“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Independent Board Committee”	the independent board committee of the Board established pursuant to the Takeovers Code comprising those Directors as identified in the paragraph headed “ <i>Independent Board Committee and Independent Financial Adviser</i> ” in this joint announcement and formed for the purpose of advising the Independent Shareholders and the Optionholders in respect of the Offers
“Independent Shareholders”	all the shareholders of the Company other than the Selling Shareholders
“Last Trading Day”	4 December 2023, being the last trading day immediately before the publication of this joint announcement
“Long Stop Date”	31 December 2023
“Offer Shares”	all Shares that are not owned or agreed to be acquired by the Offeror, “Offer Share” means any of them
“Offeror”	Central Power Group Limited (中軍集團股份有限公司), a company incorporated in Hong Kong with limited liability, and it is 51% owned by Mr. Peng Ben, and 49% owned by Mr. Zhao Hong
“Offeror Concert Group”	the Offeror, Mr. Peng Ben, Mr. Zhao Hong and parties acting in concert with any of them
“Offers”	the Share Offer and the Option Offer
“Option Offer”	subject to Completion, the unconditional mandatory cash offer to be made by BOCOM Securities on behalf of the Offeror to cancel the Share Options (excluding the Surrendered Options as all Surrendered Options will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer) on the terms and conditions set out in this joint announcement and the Composite Document and in compliance with the Takeovers Code
“Option Offer Price”	being HK\$0.0001

“Optionholder(s)”	holder(s) of the Share Option(s) (excluding Selling Shareholder 2 and Selling Shareholder 3 as all Surrendered Options will be cancelled by the Company upon Completion and before the making of the Option Offer pursuant to the Share Purchase Agreement, whereby no Surrendered Options will be subject to the Option Offer)
“PRC”	the People’s Republic of China but excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Proposed Transaction”	the transactions contemplated under the Share Purchase Agreement
“Remaining Consideration”	the remaining consideration of HK\$51,476,752 payable under the Share Purchase Agreement after deducting HK\$3,000,000 which have already been deposited to the Controlling Stake Disposal Group
“Sale Share(s)”	being 702,020,000 Shares
“Second Largest Shareholder”	means Selling Shareholder 4 which holds 51,280,000 Shares as at the date of this joint announcement, representing approximately 4.42% of the total issued share capital of the Company
“Selling Shareholder 1”	Giant Mind International Limited, a company incorporated in the BVI with limited liability, solely-owned by Miss Wong Pui Yain (黃佩茵女士), a Controlling Shareholder (as defined in the GEM Listing Rules) of the Company
“Selling Shareholder 2”	Mr. Lo Yeung Kit, Alan (羅揚傑先生), the spouse of Selling Shareholder 3 and a Controlling Shareholder
“Selling Shareholder 3”	Miss Wong Pui Yain (黃佩茵女士), being the chairlady, chief executive officer, executive Director and a Controlling Shareholder (as defined in the GEM Listing Rules) of the Company
“Selling Shareholder 4”	Mr. Ko Kin Hang (高健行先生), the largest shareholder other than the Controlling Shareholders of the Company as at the date of this joint announcement
“Selling Shareholder 5”	Yellow Remnant Limited, being a company incorporated in Hong Kong with limited liability, and, is owned as to approximately 50% and 50% by Mr. Neri Lyndon Uykim and Ms. Hu Ju-Shan, respectively, as at the date of this joint announcement

“Selling Shareholder 6”	J C Tapas Bar Pte. Ltd., a company incorporated in Singapore with limited liability and, is owned as to approximately 80% and 20% by Unlisted Collection Pte. Ltd. and Mr. Wilson Michael Joseph, respectively. As at the date of this joint announcement, Unlisted Collection Pte. Ltd. is owned as to approximately 57.12%, 19.62%, 15.26% and 8.00% by K.M.C. Holdings Pte Ltd, Ms. Khoo Bee Geok Mavis, Mr. Eu Yee Kwong Geoffrey and Mr. Goh Thiam Huat, respectively; and K.M.C. Holdings Pte Ltd, is in turn owned as to approximately 50% and 50% by Mr. Loh Hung Soo and Ms. Chan Pek Har, respectively
“Selling Shareholder 7”	Mr. Sun Tao Hung Stanley (孫道弘先生)
“Selling Shareholder 8”	Ms. Loi Yan Yi
“Selling Shareholder 9”	KaKa International Holdings Limited (嘉嘉國際集團有限公司), a company incorporated in Hong Kong with limited liability and, is owned as to approximately 99% and 1% by Ms. Wong Ka Ka and Ms. Wong Ka Po, respectively as at the date of this joint announcement
“Selling Shareholder 10”	Mr. Hong Ching Seng
“Selling Shareholders”	the Controlling Shareholders, the Second Largest Shareholder and the Founding Shareholders
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Shareholder(s)”	shareholders of the Company
“Share Offer”	subject to Completion, the unconditional mandatory cash offer to be made by BOCOM Securities on behalf of the Offeror to acquire the Offer Shares on the terms and conditions set out in this joint announcement and the Composite Document and in compliance with the Takeovers Code
“Share Offer Price”	being HK\$0.0776
“Share Option(s)”	the share option(s) granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 7 February 2018, for further details in relation to the scheme, please refer to the announcements of the Company dated 19 January 2022 and 11 January 2021, the interim report of the Company dated 14 August 2023, the annual report of the Company dated 30 March 2023, and the paragraph headed “D. Share Option Scheme” in Appendix V of the prospectus of the Company dated 29 January 2018
“Share Purchase Agreement”	the Share Purchase Agreement entered into between the Offeror and the Selling Shareholders on 4 December 2023 in relation to the Proposed Transaction

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Surrendered Options”	2,400,000 outstanding Share Options to be surrendered and cancelled upon Completion and before the making of the Option Offer (comprising of (i) 550,000 and 1,000,000 Share Options with an exercise price of HK\$0.1 held by Mr. Lo Yeung Kit Alan and Miss Wong Pui Yain, respectively; and (ii) 850,000 Share Options with an exercise price of HK\$0.13 held by Miss Wong Pui Yain, as at the date of this joint announcement), which will not be subject to the Option Offer
“Takeovers Code”	the Code on Takeovers and Mergers in Hong Kong
%	per cent

Hong Kong, 7 December 2023

By order of the board of
Central Power Group Limited
Peng Ben
Director

By order of the Board of
Jia Group Holdings Limited
Wong Pui Yain
Chairlady and Executive Director

* *for identification purpose only*

As at the date of this joint announcement, the Board comprises Miss Wong Pui Yain and Ms. Wan Suet Yee Cherry as executive Directors; Mr. Leung Yuk Lun Ulric, Mr. Devin Nijanthan Chanmugam and Mr. Wee Keng Hiong Tony as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement relating to the Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the Directors in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Peng Ben. The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

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