新煮意控股有限公司
FOOD IDEA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8179)

DISCLOSEABLE TRANSACTION –
PROVISION OF FINANCIAL ASSISTANCE TO INDEPENDENT THIRD PARTY

PROVISION OF FINANCIAL ASSISTANCE

The Board announces that, on 3 June 2016, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower, an Independent Third Party, a loan of HK$8 million, bearing an interest rate of 6% per annum for a period of 34 months and 12 days from the date of the draw down of the Loan.

PREVIOUS LOAN TO THE BORROWER

On 15 April 2016, the Lender entered into the Previous Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower the Previous Loan of HK$8 million, bearing an interest rate of 6% per annum for a period of 36 months from the date of the draw down of the Previous Loan. Pursuant to the Previous Loan Agreement, the Borrower executed the First Share Charge as security for the repayment of the Previous Loan.

GEM LISTING RULES IMPLICATION

Each of the Loan and the Previous Loan itself is fully exempt from notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules as each of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the advance of the Loan and the Previous Loan is less than 5%.

When the total amount under the Loan is aggregated with the Previous Loan, some of the applicable percentage ratios in respect of the making of the Loan exceeds 5% but all the percentage ratios are less than 25%, and therefore the aggregation of the Loan and the Previous Loan constitutes a discloseable transaction.

INTRODUCTION

On 15 April 2016, the Lender entered into the Previous Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower the Previous Loan of HK$8 million, bearing an interest rate of 6% per annum for a period of 36 months from the date of the draw down of the Previous Loan. Pursuant to the Previous Loan Agreement, the Borrower executed the First Share Charge as security for the repayment of the Previous Loan.

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The principal terms of the Loan Agreement are summarised as follows:

THE LOAN AGREEMENT

Date:	3 June 2016
Lender:	Happy Credit Limited, a wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the Money Lenders Ordinance
Borrower:	an individual, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is an Independent Third Party. Save for the Previous Loan Agreement, the Group provided no previous financial assistance of any kind to the Borrower
Security:	the Second Share Charge
Principal amount of the Loan:	HK$8 million
Term:	34 months and 12 days from the date of the draw down of the Loan (the "**Term**")

Interest:	6% per annum, interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year and payable in arrears on a monthly basis
Repayment:	Upon expiration of the Term, the Borrower must fully repay to the Lender the outstanding Loan amount together with all interests accrued as herein provided unless and until a request of early demand for repayment has been made by the Lender

The Loan is funded by internal resources of the Group. The terms of the Loan Agreement (including the interest rate) were arrived at by the parties to the Loan Agreement after arm's length negotiations, with reference to the commercial practice and the amount of the Loan.

INFORMATION ON THE GROUP AND THE LENDER

The Group is principally engaged in (i) the operation of restaurants in Hong Kong and the People's Republic of China; (ii) production, sales and distribution of food products to supermarket chains in Hong Kong; (iii) investment in securities; and (iv) money lending business.

The Lender is a wholly-owned subsidiary of the Company and is licensed to conduct money lending business in Hong Kong through the provision of loans to customers under the Money Lenders Ordinance. The Lender obtained its money lender business licence in September 2012 and has commenced its money lending business since June 2015.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE FINANCIAL ASSISTANCE

The Borrower was an existing customer of the Group. The terms of the Loan Agreement, including the interest rate of 6% per annum, were negotiated on an arm's length basis between the Lender and the Borrower. The Directors consider that the granting of the Loan is a financial assistance provided by the Company within the meaning of the GEM Listing Rules.

The Directors are of the view that the terms of the Loan Agreement were entered into on normal commercial terms based on the Group's credit policy and the grant of the Loan is in the ordinary and usual course of the Group's money lending business.

The Lender had made background and bankruptcy searches on the Borrower in accordance with the Group's credit policy. The Directors, having taken into account (i) the value of the Charged Shares; (ii) the financial background of the Borrower; (iii) no bankruptcy petition against the Borrower; and (iv) no credit default history in respect of the Borrower was found, consider the credit risk relating to the entering into of the Loan Agreement is relatively low.

Taking into account the cash inflow and revenue to be generated from the expected interest income in connection of the Loan, the Directors consider that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATION

Each of the Loan and the Previous Loan itself is fully exempt from notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules as each of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the advance of the Loan and the Previous Loan is less than 5%.

When the total amount under the Loan is aggregated with the Previous Loan, some of the applicable percentage ratios in respect of the making of the Loan exceeds 5% but all the percentage ratios are less than 25%, and therefore the aggregation of the Loan and the Previous Loan constitutes a discloseable transaction.

DEFINITIONS

Unless the context requires otherwise, capitalised terms in this announcement shall have the following meanings:

"Board"	the board of Directors
"Borrower"	an individual, an Independent Third Party, who entered into of the Previous Loan Agreement and the Loan Agreement respectively with the Lender
"Charged Shares"	400 shares, representing 40% of the entire issued share of, in a limited company incorporated in the British Virgin Islands which are legally and beneficially owned by the Borrower

"Company"	Food Idea Holdings Limited, a company incorporated in the Cayman Islands, the issued shares of which are listed on GEM (Stock code: 8179)
"Directors"	the directors of the Company
"First Share Charge"	the share charge dated 15 April 2016 executed by the Borrower in favour of the Lender pursuant to which the Borrower created a first fixed charge over the Charged Shares, in respect of the Previous Loan, and including any supplement or amendment made from time to time
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
"Lender"	Happy Credit Limited, a wholly-owned subsidiary of the Company, being the lender under the Loan Agreement and the Previous Loan Agreement
"Loan"	a loan of HK$8 million granted by the Lender to the Borrower pursuant to the Loan Agreement
"Loan Agreement"	the loan agreement dated 3 June 2016 entered into between the Lender and the Borrower in respect of the Loan
"Money Lenders Ordinance"	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

"Previous Loan Agreement"	the loan agreement dated 15 April 2016 entered into between the Lender and the Borrower in respect of the Previous Loan
"Previous Loan"	a loan of HK$8 million granted by the Lender to the Borrower pursuant to the Previous Loan Agreement for a term of 36 months commencing from the date of the draw down of the Previous Loan
"Second Share Charge"	the share charge dated 3 June 2016 executed by the Borrower in favour of the Lender pursuant to which the Borrower created a second fixed charge over the Charged Shares, in respect of the Loan, and including any supplement or amendment made from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the Board
Food Idea Holdings Limited
Wong Kwan Mo
Chairman and executive Director

Hong Kong, 3 June 2016

As at the date of this announcement, the Board comprises Mr. Wong Kwan Mo, Ms. Lau Lan Ying and Mr. Yu Ka Ho as executive Directors, and Mr. Li Fu Yeung, Mr. Kwan Wai Yin, William and Mr. Tam Lok Hang as independent non-executive Directors.

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 Company Announcements" page of the GEM website at http://www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at http://www.foodidea.com.hk.