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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 TRANSACTIONS –
PROVISION OF FINANCIAL ASSISTANCE TO
INDEPENDENT THIRD PARTIES**

PROVISION OF FINANCIAL ASSISTANCE

The Board announces that, on 30 December 2016, (i) the Lender and the Borrowers entered into the Renewed Loan Agreement I, pursuant to which the Lender agreed to extend the repayment date of the Outstanding Previous Loan I for a period of 12 months from the date of the Renewed Loan Agreement I; and (ii) the Lender and the Borrower A entered into the Renewed Loan Agreement II, pursuant to which the Lender agreed to extend the repayment date of the Previous Loan II for a period of 12 months from the date of the Renewed Loan Agreement II.

PREVIOUS LOAN I TO THE BORROWERS

The Lender entered into the Previous Loan Agreement I on 5 August 2016 and the Supplemental Loan Agreement on 14 December 2016 with the Borrowers, pursuant to which the Lender agreed to grant to the Borrowers, the Independent Third Parties, a loan of HK\$25 million, bearing an interest rate of 5% per annum for a period from the date of the draw down of the Previous Loan I ending on the 31 December 2016.

Pursuant to the Previous Loan Agreement I and the Supplemental Loan Agreement, a third legal mortgage in respect of the Property and a first fixed charge over 1,020,000 shares in a company whose shares are listed on the GEM were executed in favour of the Lender as securities for the repayment of the Previous Loan I.

On 23 September 2016, the Borrowers repaid part of the Previous Loan I amounting to HK\$9 million. The Outstanding Previous Loan I to the Borrowers is amounted to HK\$16 million as at the date of this announcement.

PREVIOUS LOAN II TO BORROWER A

On 26 September 2016, the Lender entered into the Previous Loan Agreement II with Borrower A, pursuant to which the Lender agreed to grant to Borrower A, an Independent Third Party, a loan of HK\$9 million, bearing an interest rate of 5% per annum for a period from the date of the draw down of the Previous Loan II ending on 31 December 2016. Pursuant to the Previous Loan Agreement II, a first fixed charge over 1,200,000 shares in a company whose shares are listed on GEM was executed in favour of the Lender as security for the repayment of the Previous Loan II.

GEM LISTING RULES IMPLICATION

One of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the renewal of the Outstanding Previous Loan I to the Borrowers itself exceeds 5% but all the percentage ratios are less than 25%. Hence, the renewal of the Outstanding Previous Loan I to the Borrowers itself constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

One of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the renewal of the Previous Loan II to Borrower A itself exceeds 5% but all the percentage ratios are less than 25%. Hence, the renewal of the Previous Loan II to Borrower A itself constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

In respect of the renewal of the Previous Loans, when the amount under the Outstanding Previous Loan I is aggregated with the Previous Loan II, one of the applicable percentage ratios (as defined under the GEM Listing Rules) exceeds 5% but all the percentage ratios are less than 25%, the aggregation of the Outstanding Previous Loan I and the Previous Loan II also constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

INTRODUCTION

References are made to the announcements of Company dated 5 August 2016 and 14 December 2016 (the “**Announcements**”) in relation to the provision of financial assistance to the Borrowers. Unless otherwise defined herein, capitalised terms used herein shall bear the same meanings as defined in the Announcements.

The Lender entered into the Previous Loan Agreement I on 5 August 2016 and the Supplemental Loan Agreement on 14 December 2016 with the Borrowers, pursuant to which the Lender agreed to grant to the Borrowers, the Independent Third Parties, a loan of HK\$25 million, bearing an interest rate of 5% per annum for a period from the date of the draw down of the Previous Loan I ending on the 31 December 2016.

Pursuant to the Previous Loan Agreement I and the Supplemental Loan Agreement, a third legal mortgage in respect of the Property and a first fixed charge over 1,020,000 shares in a company whose shares are listed on the GEM were executed in favour of the Lender as securities for the repayment of the Previous Loan I.

On 23 September 2016, the Borrowers repaid part of the Previous Loan I amounting to HK\$9 million. The Outstanding Previous Loan I to the Borrowers is amounted to HK\$16 million as at the date of this announcement.

On 26 September 2016, the Lender entered into the Previous Loan Agreement II with Borrower A, pursuant to which the Lender agreed to grant to Borrower A, an Independent Third Party, a loan of HK\$9 million, bearing an interest rate of 5% per annum for a period from the date of the draw down of the Previous Loan II ending on 31 December 2016. Pursuant to the Previous Loan Agreement II, a first fixed charge over 1,200,000 shares in a company whose shares are listed on GEM was executed in favour of the Lender as security for the repayment of the Previous Loan II.

PROVISION OF FINANCIAL ASSISTANCE

Renewal of Outstanding Previous Loan I to the Borrowers

The Board announces that, on 30 December 2016, the Lender entered into the Renewed Loan Agreement I with the Borrowers, pursuant to which the Lender agreed to extend the repayment date of the Outstanding Previous Loan I for a period of 12 months from the date of the Renewed Loan Agreement I.

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

THE RENEWED LOAN AGREEMENT I

Date:	30 December 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
Borrowers:	Two individuals, namely Borrower A and Borrower B To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed elsewhere in the Announcements and this announcement, each of the Borrowers is an Independent Third Party and the Group provided no previous financial assistance of any kind to any of them
Securities:	(i) a third legal mortgage in respect of the Property; and (ii) a first fixed charge over 1,020,000 shares in a company whose shares are listed on GEM
Principal amount of the loan:	HK\$16 million
Term:	1 year from the date of the Renewed Loan Agreement I
Interest:	5% 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 Borrowers must fully repay to the Lender the outstanding loan amount together with all interests accrued as therein provided unless and until a request of early demand for repayment has been made by the Lender

Renewal of Previous Loan II to Borrower A

The Board announces that, on 30 December 2016, the Lender entered into the Renewed Loan Agreement II with Borrower A, pursuant to which the Lender agreed to extend the repayment date of the Previous Loan II for a period of 12 months from the date of the Renewed Loan Agreement II.

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

THE RENEWED LOAN AGREEMENT II

Date:	30 December 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:	Borrower A
	To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed elsewhere in the Announcements and this announcement, Borrower A is an Independent Third Party and the Group provided no previous financial assistance of any kind to Borrower A
Security:	A first fixed charge over 1,200,000 shares in a company whose shares are listed on GEM
Principal amount of the loan:	HK\$9 million
Term:	1 year from the date of the Renewed Loan Agreement II
Interest:	5% 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, Borrower A must fully repay to the Lender the outstanding loan amount together with all interests accrued as therein provided unless and until a request of early demand for repayment has been made by the Lender

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

INFORMATION ON THE GROUP AND THE LENDER

The Group is principally engaged in (i) catering services; (ii) production, sales and distribution of food products to supermarket chains in Hong Kong; (iii) investments 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 2012 and has commenced its money lending business since June 2015.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE FINANCIAL ASSISTANCE

The Borrowers are existing customers of the Lender. The terms of the Renewed Loan Agreements, including the interest rate of 5% per annum, were negotiated on an arm's length basis between the parties to the Renewed Loan Agreements. The Directors consider that both extension of the abovementioned loans are financial assistance provided by the Group within the meaning of the GEM Listing Rules.

The Directors are of the view that the terms of the Renewed Loan Agreements were entered into on normal commercial terms based on the Group's credit policy and the extension of the abovementioned loans are in the ordinary and usual course of the Group's money lending business.

As at the date of this announcement, the Property was subject to (i) the first legal charge executed in favour of a bank, of which approximately HK\$3.7 million is still outstanding; and (ii) a second legal mortgage executed in favour of the Lender for a loan of HK\$5 million and (iii) a third legal mortgage executed in favour of the Lender for the Outstanding Previous Loan I to the Borrowers of HK\$16 million. Given that the Market Value (after deducting the amounts for the first charge and second charge) of the Property as at 30 December 2016 together with the value of the shares subject to the first fixed charge (i.e. 1,020,000 shares in a company whose shares are listed on the GEM) exceed the amount of loan to the Borrowers under the Renewed Loan Agreement I, the Directors considered that the collateral provided by the Borrowers under the Renewed Loan Agreement I is sufficient.

Given that the value of the shares subject to the first fixed charge (i.e. 1,200,000 shares in a company whose shares are listed on the GEM) as at 30 December 2016 exceeds the amount of loan to Borrower A under the Renewed Loan Agreement II, the Directors considered that the collateral provided by Borrower A under the Renewed Loan Agreement II is sufficient.

Further, the Lender had made background and bankruptcy searches on the Borrowers (including Borrower A) in accordance with the Group's credit policy. Having taken into account (i) the financial background of the Borrowers (including Borrower A); and (ii) no bankruptcy petition against the Borrowers (including Borrower A), the Directors consider the credit risk relating to the entering into of the Renewed Loan Agreements is relatively low.

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

GEM LISTING RULES IMPLICATION

One of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the renewal of the Outstanding Previous Loan I to the Borrowers itself exceeds 5% but all the percentage ratios are less than 25%. Hence, the renewal of the Outstanding Previous Loan I to the Borrowers itself constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

One of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the renewal of the Previous Loan II to Borrower A itself exceeds 5% but all the percentage ratios are less than 25%. Hence, the renewal of the Previous Loan II to Borrower A itself constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

In respect of the renewal of the Previous Loans, when the amount under the Outstanding Previous Loan I is aggregated with the Previous Loan II, one of the applicable percentage ratios (as defined under the GEM Listing Rules) exceeds 5% but all the percentage ratios are less than 25%, the aggregation of the Outstanding Previous Loan I and the Previous Loan II also constitutes a discloseable transaction and is subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrowers”	collectively Borrower A and Borrower B
“Borrower A”	one of the borrowers under the Previous Loan Agreement I and Renewed Loan Agreement I and the borrower of Previous Loan Agreement II and Renewed Loan Agreement II, being an individual, the business partner with Borrower B and an Independent Third Party
“Borrower B”	one of the borrowers under the Previous Loan Agreement I and Renewed Loan Agreement I, being an individual, the business partner with Borrower A, and an Independent Third Party
“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
“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 Previous Loan Agreements and the Renewed Loan Agreements
“Market Value”	the valuation of the Property dated 30 December 2016 conducted by an independent property valuer with an amount of approximately HK\$26.3 million
“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
“Outstanding Previous Loan I”	the outstanding balance of the Previous Loan I after the repayment of HK\$9 million by the Borrowers on 23 September 2016
“Previous Loans”	collectively Outstanding Previous Loan I and Previous Loan II
“Previous Loan I”	a loan of HK\$25 million granted by the Lender to the Borrowers pursuant to the Previous Loan Agreement I
“Previous Loan II”	a loan of HK\$9 million granted by the Lender to the Borrower A pursuant to the Previous Loan Agreement II
“Previous Loan Agreements”	collectively Previous Loan Agreement I and Previous Loan Agreement II
“Previous Loan Agreement I”	the loan agreement dated 5 August 2016 entered into between the Lender and the Borrowers in respect of the Previous Loan I
“Previous Loan Agreement II”	the loan agreement dated 26 September 2016 entered into between the Lender and the Borrower A in respect of the Previous Loan II
“Renewed Loan Agreements”	collectively Renewed Loan Agreement I and Renewed Loan Agreement II
“Renewed Loan Agreement I”	the renewed loan agreement dated 30 December 2016 entered into between the Lender and the Borrowers to extend the repayment date of the Outstanding Previous Loan I for a period of 12 months from the date of the Renewed Loan Agreement I

“Renewed Loan Agreement II”	the renewed loan agreement dated 30 December 2016 entered into between the Lender and the Borrower A to extend the repayment date of the Previous Loan II for a period of 12 months from the date of the Renewed Loan Agreement II
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Loan Agreement”	the supplemental loan agreement dated 14 December 2016 entered into between the Lender and the Borrowers in respect of amending the provisions in relation to the security of the Previous Loan I
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Food Idea Holdings Limited
Wong Hoi Yu
Chairman and executive Director

Hong Kong, 30 December 2016

As at the date of this announcement, the Board comprises Mr. Wong Hoi Yu 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>.