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Ajisen (China) Holdings Limited
味千(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 538)

CONNECTED TRANSACTION
RENEWAL OF THE EXISTING LEASE AGREEMENTS

Reference is made to the announcement of the Company dated 30 June 2020 in relation to the Existing Lease Agreements, which comprise the Existing Weiqian Noodle LA and the Existing Weiqian Noodle Food Service LA. As the Existing Lease Agreements expire on 30 June 2023, Weiqian Noodle Food Service (as tenant) and Weiqian Noodle (as tenant) have entered into the New Weiqian Noodle Food Service LA and the New Weiqian Noodle LA, respectively, with Ms. Poon (as landlord) on 30 June 2023 to renew the Existing Lease Agreements for the Extended Term.

As at the date of this announcement, Ms. Poon is the chairman of the Company, an executive Director and a controlling Shareholder and is interested in approximately 47.5% of the issued share capital of the Company. Accordingly, Ms. Poon is a connected person of the Company under the Listing Rules and the entering into of the Renewal Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to HKFRS 16, the Group will recognise the rental payments to be paid by the Group under the Renewal Agreements as acquisition of right-of-use assets which will constitute one-off connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use asset to be recognised by the Group under the Renewal Agreements is more than 0.1% but is less than 5%, the transactions contemplated under the Renewal Agreements are therefore exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting and announcement requirements.

THE RENEWAL AGREEMENTS

The major terms of the New Weiqian Noodle Food Service LA are set out below:

Date:	30 June 2023
Landlord:	Ms. Poon
Tenant:	Weiqian Noodle Food Service (an indirect wholly-owned subsidiary of the Company)
Terms:	From 1 July 2023 to 30 June 2026 (both dates inclusive)
Premises:	Room 2301, 2302, 2303, 2305, 2306, 2307 and 2309, Golden Central Tower, Futian District, Shenzhen, Guangdong Province, the PRC (with an aggregate floor area of approximately 813.06 square meters)
Rents:	The monthly rent payable to Ms. Poon amounts to RMB138,220.2

The major terms of the New Weiqian Noodle LA are set out below:

Date:	30 June 2023
Landlord:	Ms. Poon
Tenant:	Weiqian Noodle (an indirect wholly-owned subsidiary of the Company)
Term:	From 1 July 2023 to 30 June 2026 (both dates inclusive)
Premises:	Room 2308, Golden Central Tower, Futian District, Shenzhen, Guangdong Province, the PRC (with an aggregate floor area of approximately 92.75 square meters)
Rents:	The monthly rent payable to Ms. Poon amounts to RMB15,767.5

The rents under the Renewal Agreements were determined after arm's length negotiations between the parties thereto and with reference to the prevailing market rent for similar premises in the district, and the terms of the Renewal Agreements were on normal commercial terms and no less favourable to the Group than those available from other independent third parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE RENEWAL AGREEMENTS

The Directors (including the independent non-executive Directors) are of the view that it is in the interest of the Company to enter into the Renewal Agreements in order to provide the Group with stable and necessary office premises for its business operation.

The Directors (including the independent non-executive Directors) are of the view that the Renewal Agreements and the transactions contemplated thereunder were entered into on normal commercial terms in the ordinary and usual course of the Group's business after arm's length negotiations, and the terms of the Renewal Agreements are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, the tenancy of the premises under the Renewal Agreements are required to be recognised as an acquisition of right-of-use assets in the consolidated financial statements of the Company, and the transactions contemplated under the Renewal Agreements shall be regarded as an acquisition of assets by the Company in accordance with Rule 14A.24(1) of the Listing Rules. The unaudited value of the right-of-use assets to be recognised by the Company under the Renewal Agreements shall be amounted to approximately RMB5,270,246.

As at the date of this announcement, Ms. Poon, being the chairman of the Board, an executive Director and a controlling Shareholder, is interested in approximately 47.5% of the issued share capital of the Company. Accordingly, Ms. Poon is a connected person of the Company under the Listing Rules and the transactions contemplated under the Renewal Agreements constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated value of the right-of-use assets to be recognised by the Group under the Renewal Agreements is more than 0.1% but is less than 5%, the transactions contemplated under the Renewal Agreements are therefore exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting and announcement requirements.

Ms. Poon, being the chairman of the Board, an executive director and a controlling Shareholder, is materially interested in the Renewal Agreements. In addition, Mr. Poon Ka Man, Jason, who is an executive Director and the brother of Ms. Poon, and Ms. Ng Minna, who is an executive Director and the daughter of Ms. Poon, are associates of Ms. Poon pursuant to the Listing Rules and are deemed to have material interests in the transactions contemplated under the Renewal Agreements. As such, Ms. Poon, Mr. Poon Ka Man, Jason and Ms. Ng Minna have abstained from voting on the relevant Board resolutions relating to the Renewal Agreement.

GENERAL

The Group is principally engaged in the operation of restaurants, manufacture and sales of noodles and related products and investment holding.

WeiQian Noodle Food Service is principally engaged in the operation of restaurants in Guangdong province, Wuhan and Chengdu in the PRC.

WeiQian Noodle is principally engaged in the operation of a noodle factory in Shenzhen, the PRC.

DEFINITION

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Ajisen (China) Holding Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 538)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Lease Agreements”	the Existing WeiQian Noodle LA and the Existing WeiQian Noodle Food Service LA
“Existing WeiQian Noodle Food Service LA”	the lease agreement entered into between WeiQian Noodle Food Service and Ms. Poon on 29 June 2020 in relation to the leasing of certain office premises
“Existing WeiQian Noodle LA”	the lease agreement entered into between WeiQian Noodle and Ms. Poon on 29 June 2020 in relation to the leasing of certain office premises
“Extended Term”	1 July 2023 to 30 June 2026 (both dates inclusive)
“Group”	the Company and its subsidiaries

“HKFRS”	Hong Kong Financial Reporting Standards
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Poon”	Ms. Poon Wai, the chairman of the Company, an executive Director and a controlling Shareholder
“New Weiqian Noodle Food Service LA”	the lease agreement entered into between Weiqian Noodle Food Service and Ms. Poon on 30 June 2023 in relation to the renewal of the Existing Weiqian Noodle Food Service LA for the Extended Term
“New Weiqian Noodle LA”	the lease agreement entered into between Weiqian Noodle and Ms. Poon on 30 June 2023 in relation to the renewal of the Existing Weiqian Noodle LA for the Extended Term
“PRC”	The People’s Republic of China
“Renewal Agreements”	the New Weiqian Noodle Food Service LA and the New Weiqian Noodle LA
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Weiqian Noodle”	味千拉麵(深圳)有限公司 (Weiqian Noodle (Shenzhen) Co., Ltd.), a wholly foreign-owned enterprise incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Weiqian Noodle Food Service”	味千拉麵飲食服務(深圳)有限公司 (Weiqian Noodle Food Service (Shenzhen) Co., Ltd.), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	percent

By order of the Board
Ajisen (China) Holdings Limited
Poon Wai
Chairman

Hong Kong, 30 June 2023

As at the date of this announcement, the Board comprises Ms. Poon Wai, Mr. Poon Ka Man, Jason and Ms. Minna Ng as executive Directors; Mr. Katsuaki Shigemitsu and Mr. Yew Yat On as non-executive Directors; and Mr. Lo Peter, Mr. Jen Shek Voon and Mr. Wang Jincheng as independent non-executive Directors.