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**Asia Grocery Distribution Limited**  
**亞洲富思集團控股有限公司**

(formerly known as “Asia Grocery Distribution Limited 亞洲雜貨有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8413)

**CONNECTED TRANSACTION LEASE AGREEMENT**

**THE LEASE AGREEMENT**

The Board announces that on 20 March 2025, Hung Fat Ho (an indirect wholly-owned subsidiary of the Company) (as tenant) entered into the Lease Agreement with Mr. Wong Siu Man and Mr. Wong Siu Wa (as landlord) in relation to the lease of the premises located at The Godown on G/F & Flat A on 2/F & Car Parking Spaces Nos. L1, 7, 8, 9, 10, 11 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Yau Tong, Kowloon, Hong Kong. The Lease Agreement has a term of two years commencing from 1 April 2025 and expiring on 31 March 2027.

**GEM LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Wong Siu Man and Mr. Wong Siu Wa are the executive Directors and controlling Shareholders. Accordingly, Mr. Wong Siu Man and Mr. Wong Siu Wa are a connected person of the Company and the transactions contemplated under the Lease Agreement constitute connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

In accordance with HKFRS 16 Leases, the Company will recognise a right-of-use asset on its balance sheet in connection with the lease under the Lease Agreement. Accordingly, the entering into of the Lease Agreement will be regarded as an acquisition of a capital asset and a one-off connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratio in respect of the total value of right-of-use assets relating to the lease under the Lease Agreement is above 0.1% but below 5%, the transaction contemplated thereunder is only subject to the reporting, annual review and announcement requirements but is exempt from independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

## **THE LEASE AGREEMENT**

The Board announces that on 20 March 2025, Hung Fat Ho (as tenant) entered into the Lease Agreement with Mr. Wong Siu Man and Mr. Wong Siu Wa (as landlord) in relation to the lease of the premises located at The Godown on G/F & Flat A on 2/F & Car Parking Spaces Nos. L1, 7, 8, 9, 10, 11 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Yau Tong, Kowloon, Hong Kong for a term of two years.

Date: 20 March 2025 (after trading hours)

Parties: (i) Hung Fat Ho, as tenant; and  
(ii) Mr. Wong Siu Man and Mr. Wong Siu Wa, as landlord

Leased Properties: Premises located at The Godown on G/F & Flat A on 2/F & Car Parking Spaces Nos. L1, 7, 8, 9, 10, 11 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Yau Tong, Kowloon, Hong Kong, with gross floor area of approximately 14,246 square feet

Term: Commencing from 1 April 2025 and expiring on 31 March 2027.

Rent: The rent payable by Hung Fat Ho is HK\$200,000 per month, payable in advance. The aggregate rental of the leased properties for the entire lease term shall be HK\$4,800,000 (exclusive of Government rates, Government rent and management fee).

Usage: Office, warehouse and car parking purposes

## **VALUE OF THE RIGHT-OF-USE ASSETS**

In accordance with HKFRS 16, the total value of the right-of-use assets to be recognised by the Group in respect of the lease of the premises under the Lease Agreement is approximately HK\$4,696,000.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE LEASE AGREEMENT**

The terms of the Lease Agreements, including the rental payable by the Group, are arrived at after arm's length negotiations between the parties thereto with reference to the prevailing market rental of comparable properties in the area where the premises are situated.

The entering into of the Lease Agreement enables the Group to continue to occupy and use the premises which are currently being used by the Group, so that there will not be any interruption to the Group's usage of such properties.

The Board (including independent non-executive Directors but excluding Mr. Wong Siu Man and Mr. Wong Siu Wa who have abstained from voting) are of the view that the Lease Agreement, which was entered into after arm's length negotiation and in the ordinary and usual course of business of the Group, reflects normal commercial terms, and the terms as well as the rentals for the transactions thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As at the date of this announcement, Mr. Wong Siu Man and Mr. Wong Siu Wa are the executive Directors and controlling Shareholders. Accordingly, Mr. Wong Siu Man and Mr. Wong Siu Wa are a connected person of the Company and the transactions contemplated under the Lease Agreement constitute connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

In accordance with HKFRS 16 "Leases", the Company will recognise a right-of-use asset on its balance sheet in connection with the lease under the Lease Agreement. Accordingly, the entering into of the Lease Agreement will be regarded as an acquisition of a capital asset and a one-off connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratio in respect of the total value of right-of-use assets relating to the lease under the Lease Agreement is above 0.1% but below 5%, the transaction contemplated thereunder is only subject to the reporting, annual review and announcement requirements but is exempt from independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

## **GENERAL INFORMATION**

The Company is an investment holding company. The Group is principally engaged in food and beverage grocery distributor in Hong Kong.

Hung Fat Ho, an indirect wholly-owned subsidiary of the Company, is principally engaged in trading and distribution of food and beverage grocery products.

Sky Alpha Investments Limited holds 602,800,000 shares, representing 51.88% of the issued share capital of the Company. Sky Alpha Investments Limited is beneficially owned as to 58.38% by Mr. Wong Siu Man, an executive Director and the chairman of the Board, 38.92% by Mr. Wong Siu Wa, an executive Director, and 2.7% by Glory Concord Limited, respectively. Accordingly, Mr. Wong Siu Man and Mr. Wong Siu Wa are deemed to be interested in 602,800,000 Shares under the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Asia Grocery Distribution Limited 亞洲富思集團控股有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange (stock code: 8413)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM as amended by the Stock Exchange from time to time
“GEM”	GEM operated by the Stock Exchange
“HKFRS”	HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hung Fat Ho”	Hung Fat Ho Food Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of the Company
“Lease Agreement”	the lease agreement dated 20 March 2025 and entered into between Hung Fat Ho as tenant and Mr. Wong Siu Man and Mr. Wong Siu Wa as landlord in relation to the premises located at The Godown on G/F & Flat A on 2/F & Car Parking Spaces Nos. L1, 7, 8, 9, 10, 11 on G/F of Mai Tong Industrial Building, No. 22 Sze Shan Street, Yau Tong, Kowloon, Hong Kong
“Shareholder(s)”	registered holder(s) of the share(s) of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By Order of the Board  
**Asia Grocery Distribution Limited**  
**Wong Siu Man**  
*Chairman and Executive Director*

Hong Kong, 21 March 2025

*As at the date of this announcement, the executive Directors are Mr. Wong Siu Man (Chairman), Mr. Wong Siu Wa (Chief Executive Officer) and Mr. Yip Kam Cheong (Compliance Officer) and the independent non-executive Directors are Mr. Shum Ching Hei, Mr. Wang Zhaobin and Ms. Chan Hoi Yee.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at [www.agdl.com.hk](http://www.agdl.com.hk).*