
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Epicurean and Company, Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Epicurean and Company, Limited.



epicurean | 惟膳
Epicurean and Company, Limited
惟膳有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

**MAJOR AND CONNECTED TRANSACTION –
DISPOSAL OF THE ENTIRE INTEREST IN
ARMITAGE TECHNOLOGIES HOLDING (BVI) LIMITED**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



大有融資有限公司
MESSIS CAPITAL LIMITED

A letter from the board of directors of Epicurean and Company, Limited (the “**Company**”) is set out on pages 6 to 14 of this circular.

An extraordinary general meeting (“**EGM**”) of the Company will be held at 10th Floor, Everwin Centre, 72 Hung To Road, Kwun Tong, Kowloon, Hong Kong on 18 April 2012 at 11:00 a.m. A notice convening the EGM is set out at the end of this circular. A form of proxy for use in connection with the EGM is enclosed herewith. Whether or not you are able to attend the EGM in person, please complete, sign and return the form of proxy in accordance with the instructions printed on thereon to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting (as the case may) should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.eacl.com.

CHARACTERISTICS OF THE GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	6
The Sale and Purchase Agreement	7
Information on ATH(BVI) and the Disposed Group	10
Reasons for and benefits of the Disposal	10
Use of Proceeds	11
Financial Effects of the Disposal	12
Financial and Future Prospects	13
Listing Rules Implications	13
General Information	14
Recommendation	14
Additional Information	14
Letter from the Independent Board Committee	15
Letter from Messis Capital Limited	16
Appendix I – Financial Information of the Group	29
Appendix II – General Information	30
Notice of EGM	43

DEFINITIONS

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

“AHL”	Armitage Holdings Limited, a company incorporated in Hong Kong and a direct wholly-owned subsidiary of ATH(BVI)
“Alpha Bright”	Alpha Bright Holdings Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of ATH(BVI)
“Alpha Skill”	Alpha Skill Holdings Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of ATH(BVI)
“Assignment of Shareholder’s Loans”	the deed of assignment of the Shareholder’s Loans to be executed by the Company in favour of the Purchaser pursuant to the terms of the Sale and Purchase Agreement
“associates”	has the meaning ascribed thereto in the GEM Listing Rules
“ATH(BVI)”	Armitage Technologies Holding (BVI) Limited, a company duly incorporated in the BVI
“Board”	the board of Directors
“Business Day”	a day (other than Saturday) on which banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“Company”	Epicurean and Company, Limited (惟膳有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the GEM under the stock code 8213
“Completion”	completion of the sale and purchase of the Sale Shares and the assignment of the Shareholder’s Loans in accordance with the Sale and Purchase Agreement
“Completion Accounts”	the unaudited profit and loss accounts of ATH(BVI) for the period commencing on the day which is immediately after 31 January 2012 up to, and the unaudited balance sheet of ATH(BVI) as at the Completion Date

DEFINITIONS

“Completion Date”	the date on which Completion takes place in accordance with the Sale and Purchase Agreement
“Conditions Fulfilment Date”	30 June 2012 or such later date as may be agreed in writing by the Company and the Purchaser
“Connected Person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Consideration”	the total consideration payable for the Sale Shares and the Shareholder’s Loans under the Sale and Purchase Agreement as calculated and subject to adjustment in accordance with the sections headed “Consideration” and “Adjustment to the Consideration” in the “Letter from the Board” of this circular
“Director(s)”	director(s) of the Company
“Disposal”	the sale of the Sale Shares and the assignment of the Shareholder’s Loans as contemplated under the Sale and Purchase Agreement
“Disposed Group”	ATH(BVI) and all the subsidiaries of ATH(BVI), namely AHL, Alpha Skill, Alpha Bright, GZATL and Eastern Express
“Eastern Express”	Eastern Express Solutions Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of ATH(BVI)
“EGM”	an extraordinary general meeting of the Shareholders of the Company to be convened for the purpose of considering and, if thought fit, approving the Sale and Purchase Agreement, the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder
“Employees’ Compensation”	80% of the compensation payable by GZATL to the employees of GZATL relating to: (a) long service payment payable upon termination of employment; and (b) payment in lieu of notice for termination of employment, calculated in accordance with the relevant PRC laws, rules and regulations as if the employment of those employees were terminated on a particular date

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GZATL”	廣州萬迅電腦軟件有限公司(Guangzhou Armitage Technologies Limited), a wholly foreign owned enterprise incorporated in the PRC and an indirect wholly-owned subsidiary of ATH(BVI)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent board committee of the Company, comprising Mr. Bhanusak Asvaintra, Mr. Chan Kam Fai Robert and Mr. Chung Kwok Keung Peter, being all the independent non-executive Directors, which has been formed to make recommendation to the Independent Shareholders in respect of the Sale and Purchase Agreement, the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder
“Independent Financial Adviser”	Messis Capital Limited, a corporation licensed to carry on type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreement, the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM under the GEM Listing Rules

DEFINITIONS

“I.T. Business”	the provision of information solutions and designing, development and sale of application software packages
“Latest Practicable Date”	means 27 March 2012, being the latest practicable date for ascertaining certain information contained in this circular
“Mr. Lee”	Mr. Lee Shun Hon, Felix, an executive Director
“Mr. Tang”	Mr. Tang Sing Ming Sherman, an executive Director and the chairman of the Board
“Post-completion Adjustment Amount”	the adjustment amount to the Consideration, which is determined in the manner as set out in the section headed “Adjustment to the Consideration” in the “Letter from the Board” of this circular
“PRC”	The People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this circular
“Purchaser”	Figo Investments Limited, a company incorporated in Hong Kong and is wholly owned by Mr. Lee
“RMB”	Renminbi, the lawful currency of The People’s Republic of China
“Sale and Purchase Agreement”	the conditional agreement dated 8 March 2012 and entered into between the Company as the vendor and the Purchaser as the purchaser in relation to the sale and purchase of the Sale Shares and the Shareholder’s Loans
“Sale Shares”	the 102,013 ordinary shares with par value of HK\$10.00 each in the share capital of ATH(BVI), representing 100% of the issued share capital of ATH(BVI) as at the date hereof
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company

DEFINITIONS

“Shareholder’s Loans”	the shareholder’s loans owing by ATH(BVI) to the Company calculated up to the Completion Date and to be assigned by the Company to the Purchaser pursuant to the terms of the Sale and Purchase Agreement, which amount to HK\$63,102,679.29 as at 31 January 2012 (subject to any adjustment in accordance with the terms of the Sale and Purchase Agreement)
“Shares”	ordinary shares with nominal value of HK\$0.01 each in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US dollars, the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD



e p i c u r e a n | 惟 膳
Epicurean and Company, Limited
惟 膳 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

Executive Directors:

Mr. Tang Sing Ming Sherman (*Chairman*)

Mr. Lee Shun Hon, Felix

Independent non-executive Directors:

Mr. Bhanusak Asvaintra

Mr. Chan Kam Fai Robert

Mr. Chung Kwok Keung Peter

Registered Office:

P.O. Box 309,

Ugland House,

Grand Cayman,

KY1-1104,

Cayman Islands

Principal place of business

in Hong Kong:

8th Floor, Pedder Building,

12 Pedder Street,

Central,

Hong Kong

29 March 2012

To the Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION –
DISPOSAL OF THE ENTIRE INTEREST IN
ARMITAGE TECHNOLOGIES HOLDING (BVI) LIMITED**

INTRODUCTION

Reference is made to the announcement of the Company dated 8 March 2012, in which the Company announced, amongst other things, that on 8 March 2012 (after the trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase (i) the Sale Shares, representing the entire issued share capital of ATH(BVI); and (ii) the Shareholder's Loans, representing the entire shareholder's loans due and owing by ATH(BVI) to the Company, at the Consideration.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further details of the proposed Disposal and the notice of the EGM despatched to the Shareholders and other information in compliance with the GEM Listing Rules.

THE SALE AND PURCHASE AGREEMENT

On 8 March 2012 (after the trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser.

The principal terms of the Sale and Purchase Agreement are set out below:

Date

8 March 2012

Parties

Vendor: Epicurean and Company, Limited
Purchaser: Figo Investments Limited

Assets to be disposed of

Pursuant to the terms of the Sale and Purchase Agreement, the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase (i) the Sale Shares, representing the entire issued share capital of ATH(BVI); and (ii) the Shareholder's Loans, representing the entire shareholder's loans due and owing by ATH(BVI) to the Company.

Consideration

The Consideration payable by the Purchaser to the Company under the Sale and Purchase Agreement shall be calculated with reference to the following formula PROVIDED that the Consideration shall not in any event: (i) exceed the maximum amount of HK\$7,500,000.00 or (ii) fall below the minimum amount of HK\$1,500,000.00.

The Consideration shall equal to the aggregated sum of: (i) the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at 31 January 2012, minus the amount representing the Employees' Compensation accrued up to 31 January 2012; plus (ii) the amount of the Shareholder's Loans as at 31 January 2012; plus (iii) any Post-completion Adjustment Amount, provided that if the Post-completion Adjustment Amount represents a sum which is less than HK\$100,000.00, such Post-completion Adjustment Amount shall be ignored in calculating the Consideration.

LETTER FROM THE BOARD

Subject to any adjustment of the Consideration to take into account the Post-completion Adjustment Amount (in the manner as mentioned below), the Purchaser shall pay the Consideration to the Company in cash in the following manner, (i) a sum of HK\$1,000,000.00 shall be payable by the Purchaser as deposit and part payment upon the signing of the Sale and Purchase Agreement; and (ii) the remaining balance of the Consideration amounted to HK\$1,234,350.21 (other than the Post-completion Adjustment Amount, if any) shall be payable by the Purchaser upon Completion.

Based on the above, the Consideration amounts to HK\$2,234,350.21 assuming that no Post-completion Adjustment Amount is included in calculating the Consideration.

Adjustment to the Consideration

For the purpose of determining the Post-completion Adjustment Amount (if any), the Company shall procure ATH(BVI) to prepare the Completion Accounts within 30 Business Days after the Completion Date. If the Post-completion Adjustment Amount is less than HK\$100,000.00, such amount shall not be included in the Consideration, and neither the Company nor the Purchaser shall have any claim against the other for such amount.

If the Post-completion Adjustment Amount is or greater than HK\$100,000.00, such amount shall be payable by either the Company or the Purchaser to the other within 10 Business Days after the determination of the aggregated sum of the following items:

- (a) the amount of the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at the Completion Date minus the amount of the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at 31 January 2012;

plus

- (b) the amount of the Shareholder's Loans as at the Completion Date minus the amount of the Shareholder's Loans as at 31 January 2012;

minus

- (c) the amount of the Employees' Compensation accrued up to the Completion Date minus the amount of the Employees' Compensation accrued up to 31 January 2012.

If the Post-completion Adjustment Amount calculated in the above manner represents a net increase by HK\$100,000.00 or more as compared with the amount of the Consideration calculated as at 31 January 2012, the Purchaser shall pay the Post-completion Adjustment Amount to the Company.

LETTER FROM THE BOARD

If the Post-completion Adjustment Amount calculated in the above manner represents a net decrease by HK\$100,000.00 or more as compared with the amount of the Consideration calculated as at 31 January 2012, the Company shall pay the Post-completion Adjustment Amount to the Purchaser.

Conditions precedent

The Completion is conditional upon the following conditions being satisfied or complied with on or before the Conditions Fulfilment Date:

- (a) all applicable law, rules and regulations (including but without limitation to the GEM Listing Rules) for entering into and implementing the transaction(s) contemplated under the Sale and Purchase Agreement and the Assignment of Shareholder's Loans having been complied with; and
- (b) all necessary approvals (including but without limitation to the approval by the Independent Shareholders at the EGM) of entering into the Sale and Purchase Agreement and the Assignment of Shareholder's Loans and the transaction(s) contemplated thereunder having been obtained by the Company and the Purchaser.

None of the above conditions precedent can be waived by either the Company or the Purchaser.

If one or more of the above conditions precedent remains not satisfied by the Conditions Fulfilment Date (or such later date as the Company and the Purchaser may agree in writing); or becomes impossible to satisfy on or before the Conditions Fulfilment Date (or such later date as the Company and the Purchaser may agree in writing), the Sale and Purchase Agreement shall automatically be terminated with immediate effect and each party's rights and obligations under the Sale and Purchase Agreement shall cease immediately on termination. In the event that the termination is not attributable to any fault on the part of the Purchaser, all the deposits and other monies already paid by the Purchaser under the Sale and Purchase Agreement shall be refunded to the Purchaser without interest by the Company in full within 5 days after such termination.

Completion

Completion shall take place on the date on which all the above conditions precedent have been fulfilled (or on such later date as the Company and the Purchaser may agree in writing).

LETTER FROM THE BOARD

INFORMATION ON ATH(BVI) AND THE DISPOSED GROUP

ATH(BVI) was incorporated in the BVI with limited liability on 18 October 2001, and has an authorised share capital of HK\$2,500,000.00 divided into 250,000 ordinary shares with a par value of HK\$10.00 each, with 102,013 ordinary shares issued and fully paid up and is directly wholly-owned by the Company.

ATH(BVI) is an investment holding company which holds the entire Disposed Group. The only principal operating subsidiary within the Disposed Group is GZATL, which is carrying on the I.T. Business with focus on hospitality software solutions and online distribution services. GZATL is a direct wholly-owned subsidiary of AHL and a wholly foreign owned enterprise established in the PRC on 12 October 1998. It has a registered capital of RMB6,800,000.00. In turn, AHL is an investment holding company and a direct wholly-owned subsidiary of ATH(BVI). Other than GZATL and AHL, all other subsidiaries within the Disposed Group are inactive and do not hold any substantial assets.

Set out below is the unaudited consolidated financial information of ATH(BVI):

	For the financial year ended 31 March 2010 <i>HK\$'000</i>	For the financial year ended 31 March 2011 <i>HK\$'000</i>	For the ten months ended 31 January 2012 <i>HK\$'000</i>
Net losses before taxation	9,704	22,591	10,014
Net losses after taxation	9,633	21,999	9,768

According to the management accounts of ATH(BVI), the unaudited consolidated net liability of ATH(BVI) as at 31 January 2012 was approximately HK\$56,012,000.00.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the food and beverage business, and the I.T. Business. Currently, the entire I.T. Business is operated by GZATL within the Disposed Group.

LETTER FROM THE BOARD

In light of the increasing competition in the information technology servicing industry and the difficult operating environment, the Group has been making continuous losses since the financial year ended 31 March 2004. To improve the financial and cashflow profile of the Group and to enhance its future development, the Group has diversified its business operations and embarked upon the food and beverage business in June 2010. In order to maintain its competitiveness, the Group has in the first fiscal quarter of 2011 completed the disposal of part of its loss-making I.T. Business. After such disposal, however, there has been no significant improvement in the overall performance of the I.T. Business segment. Instead, gross profit margin for the I.T. Business has been deteriorating due to the fierce competition within the industry.

Facing with the current high inflation economic situation, costs in various aspects such as human resources, rental, utilities, etc. will continue to stand high and the Directors believe that the existing remaining I.T. Business within the Disposed Group will continue to face a difficult year ahead. Under the above circumstances, the Directors consider that it is in the interest of the Group to dispose of the entire I.T. Business through the sale of the Disposed Group to the Purchaser under the Sale and Purchase Agreement, so that the resources within the Group can be better allocated.

The Consideration was determined after arm's length negotiations based on normal commercial terms and with reference to the face value of the Shareholder's Loans and the consolidated net liability of ATH(BVI) as at the date of Completion.

Based on the unaudited management accounts of ATH(BVI) as at 31 January 2012, the Shareholder's Loans calculated up to 31 January 2012 amounted to HK\$63,102,679.29 while the consolidated net liability of ATH(BVI) was HK\$56,011,278.94.

Before taking into account the Post-completion Adjustment Amount (if any), the Consideration calculated up to 31 January 2012 was HK\$2,234,350.21.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement, and the transactions contemplated thereunder were negotiated on an arm's length basis between the parties and are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The Directors expect that the proceeds from the Disposal will be used for general working capital of the Group.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE DISPOSAL

Upon Completion, ATH(BVI) and all the companies within Disposed Group will cease to be subsidiaries of the Company, and the Company will no longer have any shareholding in ATH(BVI) and the entire Disposed Group.

Based on the calculation of the Consideration in accordance with the above formula, the loss from the Disposal will be the amount representing the Employees' Compensation accrued up to the Completion Date minus the release of the exchange reserve attributable to the Disposed Group, subject to the adjustment below. Assuming that no Post-completion Adjustment Amount is included in calculating the Consideration, the loss from the Disposal will be approximately HK\$3,670,000.00, based on the amount of the Employees' Compensation accrued up to 31 January 2012 in the sum of approximately HK\$4,857,000.00 and the exchange reserve attributable to the Disposed Group as at 31 January 2012 in the sum of approximately HK\$1,187,000.00.

In accordance with the manner of adjustment as set out in the above section headed "Adjustment to the Consideration":

- (a) if the Post-completion Adjustment Amount calculated in the above manner represents a net increase by less than HK\$100,000.00 as compared with the amount of the Consideration calculated as at 31 January 2012, the Group will record a further loss of the amount which would otherwise be receivable by the Group in respect of the Post-completion Adjustment Amount, in addition to the loss from the amount representing the Employees' Compensation accrued up to the Completion Date minus the release of the exchange reserve attributable to the Disposed Group; and
- (b) if the Post-completion Adjustment Amount calculated in the above manner represents a net decrease by less than HK\$100,000.00 as compared with the amount of the Consideration calculated as at 31 January 2012, the loss from the Disposal will be decreased by the amount which would otherwise be payable by the Group in respect of the Post-completion Adjustment Amount, apart from the amount of loss representing the Employees' Compensation accrued up to the Completion Date minus the release of the exchange reserve attributable to the Disposed Group.

LETTER FROM THE BOARD

FINANCIAL AND FUTURE PROSPECTS

Following the Completion, the Group will cautiously increase the resources input to speed up the development of our food and beverage business in both Hong Kong and the PRC market. With the Consideration received from the Disposal and the resources saved from the operation of the Disposed Group after the Disposal, the Directors believe that the consolidated result of the Group will improve as a result of the Disposal and the Group's overall financial position will also improve. More resources will be directed to the tonkatsu franchise restaurants, the recently introduced Japanese curry specialty shop, Shanghainese dining restaurants and wellness café in the coming quarters. In addition, the Group will continue to explore other opportunities in the food and beverage business, both in Hong Kong and the PRC to grow and enhance the Group's income stream.

LISTING RULES IMPLICATIONS

Since the applicable percentage ratios calculated in accordance with Rule 19.08 of the GEM Listing Rules are more than 25% but less than 75%, the Disposal contemplated under the Sale and Purchase Agreement constitutes a major disposal for the Company, and is therefore subject to reporting, announcement and shareholders' approval requirements. The Purchaser is wholly-owned by Mr. Lee, an executive Director, and is therefore a Connected Person of the Company under Chapter 20 of the GEM Listing Rules. The Disposal also constitutes a connected transaction for the Company which is subject to reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Mr. Lee has a material interest in the transactions contemplated under the Sale and Purchase Agreement and has abstained from voting on the board resolutions in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder.

As at the Latest Practicable Date, Mr. Lee and his associates held 3,100,000 Shares, representing approximately 0.19% interest in the total issued share capital of the Company. As Mr. Lee has a material interest in the Sale and Purchase Agreement, he and his associates are required to and will abstain from voting at the EGM to approve the Sale and Purchase Agreement, the Assignment of Shareholder's Loans and the respective transactions contemplated thereunder.

Save as disclosed above, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than Mr. Lee no existing Shareholder has any material interest in the Sale and Purchase Agreement and the Assignment of Shareholder's Loans, and no Shareholder is required to abstain from voting at the EGM to approve the Sale and Purchase Agreement, the Assignment of Shareholder's Loans and the respective transactions contemplated thereunder.

LETTER FROM THE BOARD

The Independent Board Committee has been formed to advise the Independent Shareholders on whether or not the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Shareholders as a whole. Messis Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder.

GENERAL INFORMATION

The Group is principally engaged in the food and beverage business, provision of information solutions and designing, development and sale of application software packages.

The Purchaser is principally engaged in investment holding.

RECOMMENDATION

The Board is of the view that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder were negotiated on an arm's length basis between the parties and are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Board recommends that the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the EGM to approve the entering into the Sale and Purchase Agreement, the Assignment of Shareholder's Loans and the respective transactions contemplated thereunder.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 15 of this circular which contains its recommendation to the Independent Shareholders concerning the ordinary resolution to be voted at the EGM; and (ii) the letter from Messis Capital Limited set out on pages 16 to 28 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders concerning the resolution to be voted at the EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of
Epicurean and Company, Limited
Tang Sing Ming Sherman
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



e p i c u r e a n | 惟 膳
Epicurean and Company, Limited
惟 膳 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

29 March 2012

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION –
DISPOSAL OF THE ENTIRE INTEREST IN
ARMITAGE TECHNOLOGIES HOLDING (BVI) LIMITED**

We refer to the circular of even date issued by the Company (the “**Circular**”) to its shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to give a recommendation to the Independent Shareholders in respect of the entering into the Sale and Purchase Agreement, the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder.

Having considered the advice from Messis Capital Limited, we are of the view that the terms of the Sale and Purchase Agreement, the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder were negotiated on an arm’s length basis between the parties and are on normal commercial terms and fair and reasonable and in the interests of the Company and its shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Disposal to be presented at the EGM.

Yours faithfully,
Independent Board Committee

Bhanusak Asvaintra
Independent Non-Executive Director

Chan Kam Fai Robert
Independent Non-Executive Director

Chung Kwok Keung Peter
Independent Non-Executive Director

LETTER FROM MESSIS CAPITAL LIMITED

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders for inclusion in this circular.



大有融資有限公司
MESSIS CAPITAL LIMITED

29 March 2012

To: *The Independent Board Committee and the Independent Shareholders
of Epicurean and Company, Limited*

Dear Sir/ Madam,

MAJOR AND CONNECTED TRANSACTION DISPOSAL OF THE ENTIRE INTEREST IN ARMITAGE TECHNOLOGIES HOLDING (BVI) LIMITED

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with the Disposal, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of Epicurean and Company, Limited to the Shareholders dated 29 March 2012 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 8 March 2012 (after the trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase (i) the Sale Shares, representing the entire issued share capital of ATH(BVI); and (ii) the Shareholder’s Loans, representing the entire shareholder’s loans due and owing by ATH(BVI) to the Company, at the Consideration in accordance with the terms and conditions as set out in the Sale and Purchase Agreement.

LETTER FROM MESSIS CAPITAL LIMITED

Since the applicable percentage ratios calculated in accordance with Rule 19.08 of the GEM Listing Rules are more than 25% but less than 75%, the Disposal contemplated under the Sale and Purchase Agreement constitutes a major disposal for the Company, and is therefore subject to reporting, announcement and shareholders' approval requirements. The Purchaser is wholly-owned by Mr. Lee, an executive Director, and is therefore a Connected Person of the Company under Chapter 20 of the GEM Listing Rules. The Disposal also constitutes a connected transaction for the Company which is subject to reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Mr. Lee has a material interest in the transactions contemplated under the Sale and Purchase Agreement and Mr. Lee and his associates will be abstained from voting on the resolution(s) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Chan Kam Fai Robert, Mr. Bhanusak Asvaintra and Mr. Chung Kwok Keung Peter, all being independent non-executive Directors, has been formed to advise the Independent Shareholders in relation to the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder. We, Messis Capital Limited, have been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

BASIS OF OUR OPINION AND RECOMMENDATION

In arriving at our recommendation, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Directors and the management of the Company. We have assumed that all information and representations contained or referred to in the Circular and all information and representations which have been provided by the Directors and the management of the Company are true and accurate at the time they were made and will continue to be accurate as at the date of the despatch of the Circular. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the management of the Company.

LETTER FROM MESSIS CAPITAL LIMITED

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular the omission of which would make any such statement contained in the Circular, including this letter, misleading. We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group, the Purchaser and their respective associates.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Disposal, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Disposal, we have taken into consideration the following factors and reasons:

1. Background of the Disposal

The Group is principally engaged in the food and beverage business and the I.T. Business. Currently, the entire I.T. Business is operated by GZATL within the Disposed Group.

The Sale and Purchase Agreement

On 8 March 2012 (after the trading hours), the Company entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase (i) the Sale Shares, representing the entire issued share capital of ATH(BVI); and (ii) the Shareholder's Loans, representing the entire shareholder's loans due and owing by ATH(BVI) to the Company. Upon Completion, ATH(BVI) and all companies within the Disposed Group will cease to be subsidiaries of the Company, and the Company will no longer have any shareholding in ATH(BVI) and the entire Disposed Group.

LETTER FROM MESSIS CAPITAL LIMITED

Information on ATH(BVI) and the Disposed Group

ATH(BVI) was incorporated in the BVI with limited liability on 18 October 2001, and has an authorised share capital of HK\$2,500,000.00 divided into 250,000 ordinary shares with a par value of HK\$10.00 each, with 102,013 ordinary shares issued and fully paid up and is directly wholly-owned by the Company.

The Disposed Group comprises ATH(BVI) and its subsidiaries namely AHL, Alpha Skill, Alpha Bright, GZATL and Eastern Express. The only principal operating subsidiary within the Disposed Group is GZATL, which is carrying on the I.T. Business with focus on hospitality software solutions and online distribution services. GZATL is a direct wholly-owned subsidiary of AHL and a wholly foreign owned enterprise established in the PRC on 12 October 1998. It has a registered capital of RMB6,800,000.00. In turn, AHL is an investment holding company and a direct wholly-owned subsidiary of ATH(BVI). Other than GZATL and AHL, all other subsidiaries within the Disposed Group are inactive and do not hold any substantial assets.

Set out below is the unaudited consolidated financial information of ATH(BVI):

	For the financial year ended 31 March 2010 HK\$'000	For the financial year ended 31 March 2011 HK\$'000	For the ten months ended 31 January 2012 HK\$'000
Net losses before taxation	9,704	22,591	10,014
Net losses after taxation	9,633	21,999	9,768

According to the management accounts of ATH(BVI), the unaudited consolidated net liability of ATH(BVI) as at 31 January 2012 was approximately HK\$56,012,000.00.

LETTER FROM MESSIS CAPITAL LIMITED

Financial information of the Group

The table below summaries the audited consolidated financial results of the Group for each of the two years ended 31 March 2010 and 2011 as extracted from the Group's annual report for the year ended 31 March 2011 (the "2011 Annual Report"), and the audited consolidated financial results of the Group for the year ended 31 March 2009 as extracted from the Group's annual report for the year ended 31 March 2010 (the "2010 Annual Report"); and the unaudited consolidated financial results of the Group for each of the nine months ended 31 December 2010 and 2011 as extracted from the Group's third quarterly report for the nine months ended 31 December 2011 (the "2012 3rd Quarterly Report"):

Table A – Summary of the consolidated financial results of the Group

	For the nine months ended		For the year ended 31 March		
	31 December		2011	2010	2009
	2011	2010	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Turnover	100,137	61,491	88,334	52,429	61,831
– Food and beverage business	59,596	18,009	32,226	-	-
– Information technology business	40,541	43,482	56,108	52,429	61,831
Loss for the period/year from continuing operations	(9,103)	(10,381)	(27,641)	(13,466)	(753)
Loss attributable to Shareholders	(9,210)	(10,381)	(27,641)	(14,825)	(3,228)

Source: 2012 3rd Quarterly Report , 2011 Annual Report and 2010 Annual Report

The Group's unaudited total turnover for the nine months ended 31 December 2011 amounted to approximately HK\$100.1 million (2010: HK\$61.5 million), representing an increase of approximately 62.8% compared with the corresponding period in 2010. Loss attributable to Shareholders slightly decreased to approximately HK\$9.2 million from approximately HK\$10.4 million. During the nine months ended 31 December 2011, the food and beverage business segment posted a total revenue of approximately HK\$59.6 million (2010: HK\$18.0 million), representing an increase of approximately 230.9% as compared with the corresponding period in 2010. The food and beverage business has outgrown the information technology business to become the most important core of the Group's operation. On the other hand, the turnover from the information technology business for the nine months ended 31 December 2011 has dropped from approximately HK\$43.5 million to

LETTER FROM MESSIS CAPITAL LIMITED

approximately HK\$40.5 million which was attributable to the disposal of two subsidiaries under information technology business segment of the Group. The Company had completed a rights issue of not less than 547,650,000 new Shares in November 2011 on the basis of one rights Share for every two existing Shares at HK\$0.06 per rights Share in which net proceeds from the rights issue amounting to approximately HK\$31.7 million had been raised.

As stated in the 2011 Annual Report, the financial year 2010/11 was a breakthrough year as the Group has made its first attempt to tap into the food and beverage business by acquiring a Japanese restaurant franchise in Hong Kong and operated a temporary outlet by applying a new food and beverage concept, Japanese ramen and izakaya, under a short term lease during the third quarter of that fiscal year. In view of the encouraging results of food and beverage business, the Group believes that the long term development in this business initiative is highly promising and will become an important core of the Group's business operation. Furthermore, the Company's name has been changed to Epicurean and Company, Limited on 15 March 2011 in order to have a fresh image and better reflect the business diversity of the Group. As shown in above, the Group recorded a turnover of approximately HK\$88.3 million for the year ended 31 March 2011, representing an increase of approximately 68.5% from the preceding financial year. The Group's loss attributable to Shareholders increased by approximately 86.4% to approximately HK\$27.6 million for the year ended 31 March 2011 from approximately HK\$14.8 million for the year ended 31 March 2010. As shown in the 2011 Annual Report, the increase in the loss attributable to Shareholders is mainly attributable to (i) a significant increase in total operating expenses which increased by approximately 90.0% to HK\$72.6 million (2010: HK\$38.2 million). This increase was attributable to several reasons. Firstly, the Company started a new line of business division, namely the food and beverage business. For the year ended 31 March 2011, the food and beverage business incurred operating expenses amounting to HK\$21.0 million (2010: Nil). Secondly, due to the increase in turnover in hospitality software solutions and online distribution business by 29% compared with that of 2010, the Company recruited more staff to accommodate the customers' needs. During the year ended 31 March 2011, the staff costs and commission expenses in relation to the hospitality software solutions and online distribution business was HK\$15.8 million, representing an increase of HK\$5.7 million or 56% compared with that of 2010; (ii) during the year ended 31 March 2011, the Company has made impairment loss on development costs and goodwill on consolidation in relation to the subsidiary operating the hospitality software solutions and online distribution business amounted to HK\$10.7 million (2010: HK\$3.3 million) and HK\$1.7 million (2010: Nil) respectively; and (iii) on 10 February 2010, the Company issued convertible bonds to First Glory Holdings Limited ("First Glory"). The interest expenses and the imputed interest expenses on convertible bonds was HK\$1.2 million and HK\$1.2 million respectively (2010: HK\$214,000 and HK\$210,000 respectively) during the year ended 31 March 2011.

LETTER FROM MESSIS CAPITAL LIMITED

For the year ended 31 March 2010, the Group recorded a turnover of approximately HK\$52.4 million, representing a decrease of approximately 15.2% as compared with approximately HK\$61.8 million for the year ended 31 March 2009. The Group's loss attributable to Shareholders for the year ended 31 March 2010 was approximately HK\$14.8 million, representing a significant increase of approximately 359.3% for the preceding financial year as compared with the previous financial year. According to the 2010 Annual Report, the increase in the loss attributable to Shareholders for the year ended 31 March 2010 is mainly attributable to an increase in total operating expenses by approximately 21.0% to approximately HK\$41.5 million (2009: HK\$34.3 million) which included the impairment loss on development costs of approximately HK\$3.3 million (2009: HK\$157,000) and the expenses in relation to the completion of general offer approximately amounted to approximately HK\$3.3 million.

The table below summaries the consolidated financial position of the Group as extracted from the Group's interim report for the six months ended 30 September 2011 (the "2012 Interim Report"), 2011 Annual Report and 2010 Annual Report:

Table B – Summary of the consolidated financial position of the Group

	As at 30	As at 31 March			
	September	2011	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
Current assets	52,241	64,852	45,479	30,379	30,379
Non-current assets	22,266	12,785	34,992	20,742	20,742
Current liabilities	19,807	17,326	15,114	22,883	22,883
Non-current liabilities	37,448	36,714	49,995	2,160	2,160
Net assets	17,252	23,597	15,362	26,078	26,078

Source: 2012 Interim Report, 2011 Annual Report and 2010 Annual Report

As at 30 September 2011, the Group's net assets were approximately HK\$17.2 million as compared with approximately HK\$23.6 million as at 31 March 2011. As shown in the 2012 Interim Report, the Group's current ratio and quick assets ratio were approximately 2.64 and 2.59 respectively (at 31 March 2011: 3.74 and 3.73 respectively) and debt-to-equity ratio, expressed as a ratio of total debts less time deposits and cash and bank balances to shareholders' funds, was approximately 2.01 (at 31 March 2011: 1.02).

LETTER FROM MESSIS CAPITAL LIMITED

2. Reasons for and benefits of the Disposal

As stated in the Letter from the Board, in light of the increasing competition in the information technology servicing industry and the difficult operating environment, the Group has been making continuous losses since the financial year ended 31 March 2004. To improve the financial and cashflow profile of the Group and to enhance its future development, the Group has diversified its business operations and embarked upon the food and beverage business in June 2010. In order to maintain its competitiveness, the Group has in the first fiscal quarter of 2011 completed the disposal of part of its loss-making I.T. Business. After such disposal, however, there has been no significant improvement in the overall performance of the I.T. Business segment. Instead, gross profit margin for the I.T. Business has been deteriorating due to the fierce competition within the industry. Facing with the current high inflation economic situation, costs in various aspects such as human resources, rental, utilities, etc. will continue to stand high and the Directors believe that the existing remaining I.T. Business within the Disposed Group will continue to face a difficult year ahead. Under the above circumstances, the Directors consider that it is in the interest of the Group to dispose of the entire I.T. Business through the sale of the Disposed Group to the Purchaser under the Sale and Purchase Agreement, so that the resources within the Group can be better allocated.

With reference to the above section “Financial information of the Group” and the 2011 Annual Report, the Group’s turnover from continuing operations for the year ended 31 March 2011 has significantly increased by approximately 68.5%. Based on the 2011 Annual Report, the newly acquired business, the food and beverage business contributed approximately 36.5% of the Group’s total turnover for the year ended 31 March 2011. We also note from the 2011 Annual Report and the 2012 Interim Report that the Group’s information technology segment recorded a segment loss of approximately HK\$22.1 million and HK\$7.5 million for the year ended 2011 and for the six months ended 30 September 2011 respectively.

As stated in the 2011 Annual Report, the Group believes that the long term development in food and beverage initiative is highly promising and will become an important core of the Group’s business operation. The Disposal will make the Group focusing on its food and beverage business, which is in line with the Group’s long term development plan as stated in the 2011 Annual Report.

Taking into account that (i) the significant increase in the Group’s turnover for the year ended 31 March 2011 mainly contributed by the newly acquired business, food and beverage business, as mentioned above; (ii) the Disposal will enable the Group to redeploy its resources to other more efficient area including the expansion of its food and beverage business; and (iii) the Disposal will make the Group focusing on its food and beverage business, which is in line with the Group’s long term development plan as stated in the 2011 Annual Report, we concur with the Directors that the Disposal and the entering into of the Sale and Purchase Agreement are in the interest of the Company and the Shareholders as a whole.

LETTER FROM MESSIS CAPITAL LIMITED

3. Principal terms of the Sale and Purchase Agreement

Consideration

Pursuant to the Sale and Purchase Agreement, the Consideration payable by the Purchaser to the Company under the Sale and Purchase Agreement shall be calculated with reference to the following formula PROVIDED that the Consideration shall not in any event: (i) exceed the maximum amount of HK\$7,500,000.00 or (ii) fall below the minimum amount of HK\$1,500,000.00.

The Consideration shall equal to the aggregated sum of: (i) the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at 31 January 2012, minus the amount representing the Employees' Compensation accrued up to 31 January 2012; plus (ii) the amount of the Shareholder's Loans as at 31 January 2012; plus (iii) any Post-completion Adjustment Amount, provided that if the Post-completion Adjustment Amount represents a sum which is less than HK\$100,000.00, such Post-completion Adjustment Amount shall be ignored in calculating the Consideration.

Subject to any adjustment of the Consideration to take into account the Post-completion Adjustment Amount (in the manner as mentioned in the Letter from the Board), the Purchaser shall pay the Consideration to the Company in cash in the following manner, (i) a sum of HK\$1,000,000.00 shall be payable by the Purchaser as deposit and part payment upon the signing of the Sale and Purchase Agreement; and (ii) the remaining balance of the Consideration amounted to HK\$1,234,350.21 (other than the Post-completion Adjustment Amount, if any) shall be payable by the Purchaser upon Completion.

Based on the above, the Consideration amounts to HK\$2,234,350.21 assuming that no Post-completion Adjustment Amount is included in calculating the Consideration.

In forming our opinion on the consideration for the Disposal, we have considered the commonly adopted approaches in evaluating a company, namely price to earnings approach, dividends approach and net assets approach. However as the Disposed Group recorded net loss for the year ended 31 March 2009, 2010 and 2011 and ATH(BVI) had not declared any dividend to its shareholders during the three years ended 31 March 2009, 2010 and 2011, we consider that the price to earnings approach and the dividends approach are not applicable for assessing the value of the Disposed Group.

LETTER FROM MESSIS CAPITAL LIMITED

For the net assets approach, we have reviewed the unaudited consolidated management accounts of ATH(BVI) as at 31 January 2012. Based on the unaudited consolidated management accounts of ATH(BVI) as at 31 January 2012, we are given to understand from the Company that the Consideration (assuming that no Post-completion Adjustment Amount is included) of HK\$2,234,350.21 is calculated with reference to (i) the consolidated net liability of HK\$56,011,278.94 as at 31 January 2012; plus (ii) the amount of the Shareholder's Loans as at 31 January 2012 of HK\$63,102,679.29; and minus (iii) the Employees' Compensation accrued up to 31 January 2012 of HK\$4,857,050.14. We are given to understand from the Company that the Company has engaged an independent accountant to review the Employees' Compensation as at 31 January 2012. According to the amounts reviewed by the independent accountant, the Employees' Compensation as at 31 January 2012 was HK\$6,071,312.68 and 80% of it would be equal to HK\$4,857,050.14, which is the amount used to calculate the Consideration as at 31 January 2012. Based on our discussion with the management of the Group, we are given to understand that (i) the accounting policies, assumptions and basis of preparation adopted for the unaudited management accounts of ATH(BVI) for the ten months ended 31 January 2012 are the same as those adopted for the Group's audited financial statement for the two years ended 31 March 2010 and 2011; and (ii) there are no material adverse changes in the financial position, business operation or prospects of the Group (including the Disposed Group) since 31 March 2011, the date to which the latest audited financial statements of the Group were made up.

We are advised by the Directors that the Company may consider ceasing the operation of its loss-making I.T. Business in the future on its own in the absence of the Disposal in which case the Company has to terminate the employment relationship with the employees under the Disposed Group and pay employees' compensation relating to long service payment and payment in lieu of notice for termination of employment to the redundant employees in full. Having considered that the amount of the Employees' Compensation is less than the full amount which the Company would be required to pay to the employees for termination of employment in case it ceases the operation of its loss-making I.T. Business on its own, we are of the view that the Employees' Compensation is fair and reasonable so far as the Independent Shareholders are concerned.

Having taken into account that (a) the Consideration is determined with reference to (i) the amount of the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at 31 January 2012; plus (ii) the amount of the Shareholder's Loans as at 31 January 2012; minus (iii) the Employees' Compensation accrued up to 31 January 2012 based on the unaudited consolidated management accounts of ATH(BVI) as at 31 January 2012; plus (iv) any Post-completion Adjustment Amount (if any) which uses similar calculation methodology as above; (b) the accounting policies, assumption and basis of preparation adopted for the unaudited management accounts of ATH(BVI) for the ten months ended 31 January 2012 are the same as those adopted for the Group's audited financial statement for the two years ended 31 March 2010 and 2011; (c) there are no material adverse changes in the financial position, business operation or prospects of the Group (including the Disposed Group) since 31 March 2011; and (d) the amount of the Employees' Compensation is less than the full amount which the Company would be required to pay to the employees for termination of employment in case it ceases the operation of its loss-making I.T. Business on its own, we are of the view that the Consideration is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned.

LETTER FROM MESSIS CAPITAL LIMITED

Post-completion Adjustment Amount

As stated in the Letter from the Board, for the purpose of determining the Post-completion Adjustment Amount (if any), the Company shall procure ATH(BVI) to prepare the Completion Accounts within 30 Business Days after the Completion Date. If the Post-completion Adjustment Amount is less than HK\$100,000.00, such amount shall not be included in the Consideration, and neither the Company nor the Purchaser shall have any claim against the other for such amount.

If the Post-completion Adjustment Amount is or greater than HK\$100,000.00, such amount shall be payable by either the Company or the Purchaser to the other within 10 Business Days after the determination of the aggregated sum of the following items:

- (a) the amount of the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at the Completion Date minus the amount of the consolidated net asset value or net liability (as the case may be) of ATH(BVI) as at 31 January 2012; plus
- (b) the amount of the Shareholder's Loans as at the Completion Date minus the amount of the Shareholder's Loans as at 31 January 2012; minus
- (c) the amount of the Employees' Compensation accrued up to the Completion Date minus the amount of the Employees' Compensation accrued up to 31 January 2012.

If the Post-completion Adjustment Amount calculated in the above manner represents a net increase by HK\$100,000.00 or more as compared with the amount of the Consideration calculated as at 31 January 2012, the Purchaser shall pay the Post-completion Adjustment Amount to the Company.

If the Post-completion Adjustment Amount calculated in the above manner represents a net decrease by HK\$100,000.00 or more as compared with the amount of the Consideration calculated as at 31 January 2012, the Company shall pay the Post-completion Adjustment Amount to the Purchaser.

According to the above arrangement, the Consideration will be updated up to the time of the Completion. We consider that it is fair and reasonable to include the Employees' Compensation as a part of the Post-completion Adjustment Amount for both parties as (i) the items that determine the Post-completion Adjustment Amount are the same as the items that determine the Consideration with reference to the latest financial status of the Disposed Group as at 31 January 2012, which consist of net assets value of ATH(BVI), the Shareholder's Loans and the Employees' Compensation; and (ii) the terms in the Post-completion Adjustment Amount would keep track of the movement of the net assets value of ATH(BVI), the Shareholder's Loans and the Employees' Compensation after the date of the Sale and Purchase Agreement up to the Completion Date.

LETTER FROM MESSIS CAPITAL LIMITED

4. Financial effects of the Disposal

Working capital

As set out in the Letter from the Board, the proceeds arising from the Disposal of approximately HK\$2.2 million (assuming no Post-Completion Adjustment Amount is included in calculating the Consideration) will be used for general working capital of the Group. As mentioned under the sub-section headed “Financial information of the Group” above, the Company had completed a rights issue in which net proceeds from the rights issue amounting to approximately HK\$31.7 million had been raised. Therefore, the Directors consider that the proceeds arising from the Disposal would not have a material impact to the working capital position of the Group. Having considered that the Disposed Group recorded losses for the two years ended 31 March 2010 and 2011 and the ten months ended 31 January 2012, we are of the view that the Disposal enables the Group to better allocate its working capital to the food and beverage business which is in line with the strategy of the Group and therefore are in the interest of the Company and Shareholders as a whole.

Earnings

As set out in the Letter from the Board, the loss from the Disposal will be the amount representing the Employees’ Compensation accrued up to the Completion Date minus the release of the exchange reserve attributable to the Disposed Group, subject to the adjustment as set out in the Letter from the Board. Assuming that no Post-completion Adjustment Amount is included in calculating the Consideration, the loss from the Disposal will be approximately HK\$3,670,000.00, based on the amount of the Employees’ Compensation accrued up to 31 January 2012 in the sum of approximately HK\$4,857,000.00 and the exchange reserve attributable to the Disposed Group as at 31 January 2012 in the sum of approximately HK\$1,187,000.00.

Although the Group would incur an one-off loss from the Disposal upon Completion, the future profitability of the Group may be improved since by disposing the loss making I.T. business of the Disposed Group, ATH(BVI) and all the companies within the Disposed Group will cease to be subsidiaries of the Company and the Group no longer needs to consolidate the results of the Disposed Group.

LETTER FROM MESSIS CAPITAL LIMITED

Net asset value

Although the one-off loss from the Disposal of approximately HK\$3.67 million would have a negative effect on the net asset position of the Group, taking in account the fact that the Disposed Group recorded losses for the two financial years ended 31 March 2010 and 2011 and the ten months ended 31 January 2012 and by disposing of the Disposed Group, ATH(BVI) and all the companies within the Disposed Group will cease to be subsidiaries of the Company. As such, the Group no longer needs to consolidate the results of the Disposed Group, we are of the view that the decrease in net asset value of the Group arising from the loss from the Disposal is acceptable so far as the Independent Shareholders are concerned.

RECOMMENDATION

Having taken into account the above principal factors and reasons, we consider that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and the Disposal is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the Disposal, the Sale and Purchase Agreement, the Assignment of Shareholder's Loans and the respective transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Robert Siu
Executive Director

1. INDEBTEDNESS STATEMENT

At the close of business on 29 February 2012, being the latest practicable date for the purpose of the statement of indebtedness prior to the printing of this circular, the Group had total outstanding borrowings of approximately HK\$39,428,000.00, comprising the bank loan of approximately HK\$428,000.00 and convertible bonds with the aggregate principal amount of HK\$39,000,000.00.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have any other loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding on 29 February 2012.

The Directors are not aware of any material adverse change in the Group's indebtedness position and contingent liabilities since 29 February 2012.

2. WORKING CAPITAL

The Directors are of the opinion that after taking into account the financial resources available to the Group, including internally generated funds and the bank borrowing, the Group has sufficient working capital for its present requirements for at least 12 months from the date of this circular, in the absence of any unforeseeable circumstances.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market 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 circular 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 document misleading.

2. DISCLOSURE OF INTERESTS

(i) Interests of Directors and chief executive in the Shares, underlying Shares

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange (a) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

(a) Long positions in the ordinary shares of the Company

Name	Type of interests	Number of Shares	Approximate percentage of the issued capital (note 2)
Mr. Tang	corporate	1,073,810,083 (note 1)	65.36%
Mr. Lee	personal	3,100,000	0.19%

Notes:

1. These shares are held by First Glory Holdings Limited (“**First Glory**”) which is wholly and beneficially owned by Mr. Tang. First Glory also holds convertible bonds (“**Convertible Bonds**”) issued by the Company in the aggregate principal amount of HK\$39 million pursuant to which a total of 650,000,000 ordinary shares of the Company will be issued upon full conversion at the adjusted price of HK\$0.060 per share. Mr. Tang is the sole legal and beneficial owner of First Glory. Mr. Tang is deemed to be interested, within the meaning of Part XV of the SFO, in the said 1,073,810,083 shares and the Convertible Bonds which First Glory is interested in.
2. Based on 1,642,950,000 Shares of the Company in issue as at the Latest Practicable Date.

(b) Interests in underlying shares of equity derivatives of the Company

Name	Type of interests	Number of Shares	Approximate percentage of the issued capital <i>(note 2)</i>
Mr. Tang	corporate	650,000,000 <i>(note 1)</i>	39.56%

Notes:

1. The said 650,000,000 shares represent the total number of shares which will be issued upon full conversion of the Convertible Bonds held by First Glory in the aggregate principal amount of HK\$39 million at the adjusted price of HK\$0.060 per share. According to the terms of the Convertible Bonds, conversion of the Convertible Bonds is subject to compliance with the GEM Listing Rules and the Code on Takeovers and Mergers, and any such conversion shall not result in the shareholding of the Company held by the public being less than the then minimum public float requirements as stipulated in the GEM Listing Rules at the time of such conversion. Mr. Tang is deemed to be interested, within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), in the Convertible Bonds held by First Glory.
2. Based on 1,642,950,000 Shares of the Company in issue as at the Latest Practicable Date.

Outstanding options granted to the Directors under the share option scheme adopted on 26 February 2003:

Name	Date of grant	Exercise price per share (note 4)	Exercisable period	Approximate percentage of the issued share capital (note 3)	Number of share options outstanding
Mr. Tang	23 December 2011	0.062	23 December 2012 to 22 December 2021	0.30%	5,000,000
	23 December 2011	0.062	23 December 2013 to 22 December 2021	0.30%	5,000,000
	23 December 2011	0.062	23 December 2014 to 22 December 2021	0.30%	5,000,000
Mr. Bhanusak Asvaintra	13 August 2010	0.138	13 August 2011 to 12 August 2020	0.06%	1,000,000
	23 December 2011	0.062	23 December 2012 to 22 December 2021	0.03%	500,000
Mr. Chan Kam Fai Robert	13 August 2010	0.138	13 August 2011 to 12 August 2020	0.06%	1,000,000
	23 December 2011	0.062	23 December 2012 to 22 December 2021	0.03%	500,000
Mr. Chung Kwok Keung Peter	13 August 2010	0.138	13 August 2011 to 12 August 2020	0.06%	1,000,000
	23 December 2011	0.062	23 December 2012 to 22 December 2021	0.03%	500,000

Notes:

3. Based on 1,642,950,000 Shares of the Company in issue as at the Latest Practicable Date.
4. The original exercise price in respect of the share options granted on 13 August 2010 was HK\$0.142 per share. Adjustment of the exercise price of such share options has been made on 28 October 2011 to HK\$0.138 per share as a result of a rights issue by the Company.

(c) Interests in the shares of associated corporations of the Company

Name	Name of associated corporation	Capacity	Number of ordinary shares	Percentage of interest held
Mr. Tang	First Glory	Beneficial owner	1	100%

(d) Interests in debentures of the Company

Name	Type of interests	Amount of Debentures
Mr. Tang	corporate	HK\$39 million (note)

Note:

The said HK\$39 million represents the aggregate outstanding principal amount of the Convertible Bonds held by First Glory, which is wholly-owned by Mr. Tang. A total of 650,000,000 shares will be issued upon full conversion of the Convertible Bonds at the adjusted conversion price of HK\$0.060 per share.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and Stock Exchange.

(ii) Interests of Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors, the following person, not being Directors or chief executive of the Company had, or was deemed to have, interests or short positions in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or held any option in respect of such capital:

Name of shareholder	Capacity	Number of Shares	Approximate percentage of the issued capital <i>(note 2)</i>
First Glory <i>(note 1)</i>	corporate	1,073,810,083 <i>(note 2)</i>	65.36%

Notes:

1. First Glory is wholly and beneficially owned by Mr. Tang.
2. Based on 1,642,950,000 Shares of the Company in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person, other than the Directors and the chief executives of the Company, who had, or was deemed to have, interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or held any option in respect of such capital.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or the controlling Shareholders or any of their respective associates had any interest in a business which competes or may compete directly or indirectly with the business of the Group or any other conflicts of interests with the Group.

Mr. Tang is a seasoned entrepreneur in hospitality management and consultancy services. He owns a well established hospitality group which creates and operates a wide variety of food and beverage concepts in Hong Kong and the PRC. Other than the Group, the restaurants currently owned and operated by Mr. Tang and his associates in Hong Kong include a number of Chinese restaurants (namely Joy & Joy 喜双逢, Xia Mian Guan 夏麵館 and Yu Joy 漁喜小菜皇), Western restaurants (namely The Peak Lookout, Jimmy's Kitchen, Steik World Meats, El Pomposo, Agave, Club 97, La Dolce Vita 97 and iL Posto 97), Japanese restaurants (Rei 礼 and Naha 那霸沖繩料理) and cake/café restaurants (Italian Tomato). Mr. Tang and his associates currently operate one restaurant in the PRC, namely Jimmy's Kitchen Shanghai. The information of these restaurants, including their locations and menus, can be found in the website www.epicurean.com.hk (which is not the website of the Company).

Given the cuisines and dining experiences that these restaurants offer vis-a-vis that are currently offered by the Group's restaurants (which are under the name of Tonkatsu Ginza Bairin 銀座梅林, the Shanghainese dining restaurants under the brand name Xia Fei 霞飛 and a wellness café concept under the name of Quick & Fresh, and other new restaurants to be opened including the Japanese curry specialty shop Shirokuma Curry), Mr. Tang considers that the restaurants currently owned or operated by him and his associates (otherwise than through the Group) are not in competition with the business of the Group.

4. DIRECTORS' INTERESTS IN ASSETS

None of the Directors has any interest, either directly or indirectly, in any assets which has since 31 March 2011 (being the date to which the latest published audited accounts of the Group were made up), up to the Latest Practicable Date, been acquired or disposed of by, or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group, except:

- (a) a tenancy agreement was entered into between Supercom Investments Limited (a company owned by Mr. Lee and his associates) on the one hand and Armitage Technologies Limited (an independent third party) on the other hand in connection with the renting of the office situated at 10th Floor, Everwin Centre, 72 Hung To Road, Kwun Tong, Kowloon, Hong Kong, and then the Group sub-leased part of such office from Armitage Technologies Limited for a period from 1 January 2012 to 31 December 2012 at a monthly rental fee of HK\$4,400.00; and

- (b) a tenancy agreement was entered into between Epicurean Management Limited (a company controlled by Mr. Tang) and the Company in connection with the rental of the office situated at 8/F, Pedder Building, 12 Pedder Street, Central, Hong Kong for a period from 1 June 2011 to 31 October 2012 at a monthly rental fee of HK\$20,000.00.

Save as disclosed in this circular, there is no contract or arrangement subsisting as at the Latest Practicable Date in which any Director is materially interested and which is significant in relation to the business of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into a service contract or a proposed service contract with the Company or any member of the Group, which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. QUALIFICATION AND CONSENT OF EXPERT

- (a) The following is the qualification of the expert who has given opinion or advice contained in this circular:

Name	Qualification
Messis Capital Limited	A corporation licensed to carry on type 6 (advising on corporate finance) regulated activities under the SFO

- (b) As at the Latest Practicable Date, MESSIS Capital Limited has no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member in the Group.
- (c) MESSIS Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter dated 29 March 2012 and references to its name in the form and context in which they appear.

7. EXPERT'S INTERESTS

As at the Latest Practicable Date,

- (a) Messis Capital Limited did not have any direct or indirect interest in any asset which had since 31 March 2011, being the date to which the latest published audited financial statements of the Company were made up, been acquired or disposed of by, or leased to, any member of the Group, or was proposed to be acquired or disposed of by, or leased to, any member of the Group; and
- (b) Messis Capital Limited was not beneficially interested in the share capital of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

8. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

9. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 March 2011, being the date to which the latest published audited financial statements of the Group was made up.

10. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) the sale and purchase agreement dated 17 May 2010 entered into between Strong Venture Limited (“**Strong Venture**”) as vendor and Marvel Success Limited (“**Marvel Success**”), a direct wholly owned subsidiary of the Company, as purchaser in relation to the sale and purchase of (i) 750 shares with a par value of US\$1.00 each in the share capital of Netaria Limited (“**Netaria**”) representing 75% of the issued share capital of Netaria, and (ii) the shareholder’s loans (“**SV Shareholder’s Loan**”) owing by Netaria to Strong Venture at the total consideration of HK\$7,000,000.00 (“**Strong Venture Sale and Purchase Agreement**”);

- (b) the sale and purchase agreement dated 17 May 2010 and entered into between Caddell Investments Limited as the vendor and Marvel Success as the purchaser in relation to the sale and purchase of 250 shares with a par value of US\$1.00 each in the share capital of Netaria, representing 25% of the issued share capital of Netaria, at a consideration which shall be satisfied by Marvel Success procuring the Company to allot and issue 15,000,000 Shares as the consideration shares upon completion;
- (c) the placing agreement entered into between First Glory, the Company and Karl-Thomson Securities Company Limited dated 18 May 2010 in relation to the placing of up to 110,000,000 Shares beneficially owned by First Glory at the placing price of HK\$0.20 per Share;
- (d) the subscription agreement entered into between First Glory and the Company dated 18 May 2010 in relation to the subscription of up to 110,000,000 new Shares by First Glory at the subscription price of HK\$0.20 per Share;
- (e) the assignment of shareholder's loans dated 20 May 2010 and entered into among Strong Venture as the assignor, Marvel Success as the assignee and Netaria pursuant to the Strong Venture Sale and Purchase Agreement in relation to the assignment of the SV Shareholder's Loan in the sum of HK\$1,721,367.00;
- (f) the sale and purchase agreement dated 25 January 2011 entered into between Alpha Skill, an indirect wholly owned subsidiary of the Company, as vendor and Glorywin Holdings Limited ("**Glorywin**") as purchaser in relation to the sale and purchase of Armitage Technologies Limited ("**ATL(HK)**") at the consideration of HK\$2,725,361.81 ("**ATL Sale and Purchase Agreement**");
- (g) the equity interest transfer agreement dated 25 January 2011 entered into between Armitage Holdings Limited, an indirect wholly owned subsidiary of the Company as vendor and Glorywin as purchaser in relation to the sale and purchase of the entire equity interest and registered capital of 萬迅電腦軟件(深圳)有限公司 (Armitage Technologies (Shenzhen) Limited) at the consideration of HK\$100,000.00;
- (h) the assignment of shareholder's loans dated 14 June 2011 and entered into among Alpha Skill as the assignor, Glorywin as the assignee and ATL(HK) pursuant to the ATL Sale and Purchase Agreement in relation to the assignment of the shareholder's loans owing by ATL(HK) to Alpha Skill in the sum of HK\$30,938,819.91;

- (i) the sale and purchase agreement dated 30 May 2011 entered into between Robust Asia Limited (“**Robust Asia**”), an indirect wholly owned subsidiary of the Company as purchaser, and Mr. Chung Hoi Shuen (“**Mr. H.S. Chung**”) and Mr. Tong Hei Wah Aro as vendors, in relation to: (i) the acquisition of 70% of the share capital of Qualifresh Catering Limited (“**Qualifresh**”) at the total consideration of HK\$3,500,000.00; and (ii) the grant of a call option by Mr. H.S. Chung to Robust Asia for Robust Asia to purchase up to 30% of the share capital of Qualifresh for an aggregate amount of up to HK\$1,500,000.00;
- (j) the option deed dated 30 May 2011 entered into among Mr. H.S. Chung, Mr. Ma Hing Ho Stephen (“**Mr. Ma**”) and Robust Asia in relation to the grant of options of Kosmo Delight Limited (“**Kosmo**”) by Mr. H.S. Chung and Mr. Ma to Robust Asia for Robust Asia to purchase: (i) 50% of the share capital of Kosmo from Mr. H.S. Chung at a price in the range of HK\$150,000.00 to HK\$750,000.00; (ii) 50% of the share capital of Kosmo from Mr. Ma at a price in the range of HK\$150,000.00 to HK\$750,000.00;
- (k) the licence agreement dated 6 October 2011 entered into between Talent Horizon Limited (a subsidiary of the Company), Shirokuma & Co. and Mr. Kaoru Sato in relation to the grant of licence rights by Shirokuma & Co. to Talent Horizon Limited and its subsidiaries to use the proprietary rights and intellectual property rights relating to “Shirokuma curry” at the consideration: (i) to be satisfied by payment of HK\$1,000,000.00 and (ii) by issue and allotment of 100 shares (representing 10%) in the share capital of Talent Horizon Limited;
- (l) the sale and purchase agreement dated 7 October 2011 entered into between Marvel Success and Splendid Ray Limited (“**Splendid Ray**”) in relation to the acquisition of 100% issued share capital of Rainbow Sky Enterprises Limited (“**Rainbow Sky**”) at the consideration of HK\$8,577,889.20 (“**Rainbow Sale and Purchase Agreement**”);
- (m) the assignment of shareholder’s loans dated 1 November 2011 and entered into among Splendid Ray as the assignor, Marvel Success as the assignee and Rainbow Sky pursuant to the Rainbow Sale and Purchase Agreement in relation to the assignment of the shareholder’s loans owing by Rainbow Sky to Splendid Ray in the sum of HK\$10,706,360.07;
- (n) the underwriting agreement dated 7 October 2011 entered into between the Company and First Glory (the underwriter) in relation to the issue of 547,650,000 Shares under the rights issue by the Company (“**Rights Issue**”);

- (o) the irrevocable undertakings dated 7 October 2011 entered into between the Company and First Glory (the controlling shareholder of the Company), pursuant to which First Glory has irrevocably undertaken to the Company that, among others, the 632,845,290 Shares beneficially owned by it would remain so beneficially owned by it from the date of the irrevocable undertakings up to 28 October 2011, the record date to determine entitlements to the Rights Issue;
- (p) the supplemental deed dated 10 February 2012 executed between PJ Partners Pte Ltd. (“**PJ Partners**”) and Marvel Success in relation to the extension of the maturity date of the convertible bond in the aggregate principal amount of US\$2 million issued by PJ Partners to Marvel Success pursuant to the subscription agreement dated 22 December 2009 entered into between the same parties; and
- (q) the Sale and Purchase Agreement.

11. AUDIT COMMITTEE

The Company has established an audit committee (“**Audit Committee**”) with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company’s draft annual, interim and quarterly financial reports and accounts and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group. The Audit Committee comprises three independent non-executive Directors, namely Mr. Bhanusak Asvaintra (“**Mr. Asvaintra**”), Mr. Chan Kam Fai Robert (“**Mr. Robert Chan**”) and Mr. Chung Kwok Keung Peter (“**Mr. Peter Chung**”). Further details of them are as follows:

Mr. Asvaintra, aged 67, is the chairman of the Audit Committee. Mr. Asvaintra obtained degrees from University of Pennsylvania and University of Chicago. Mr. Asvaintra held senior executive positions with the Chase Manhattan Bank group in New York, Hong Kong and Singapore in the 1970s. In 1980, Mr. Asvaintra joined the Charoen Pokphand group of companies (the “**Pokphand Group**”) and retired as the chief executive officer of the Pokphand Group in 1998. Mr. Asvaintra is currently an independent non-executive director of Dickson Concepts (International) Limited, a company incorporated in Bermuda and the shares of which are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 113), since he was appointed to the post in September 2004.

Mr. Robert Chan, aged 55, has over 30 years' experience in international advertising agencies and multi-media operations, both in Hong Kong and mainland China. Mr. Robert Chan is currently a managing director of an outdoor media specialist company.

Mr. Peter Chung, aged 58, has over 20 years' experience in manufacturing business. He was a director of Racing Champions Corporation, the shares of which are listed on the NASDAQ Stock Market in the United States of America, from April 1996 to May 2008. Mr. Peter Chung is currently an operating partner of a private equity business.

12. MISCELLANEOUS

- (a) The registered office of the Company is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.
- (b) The head office and principal place of business of the Company is at 8th Floor, Pedder Building, 12 Pedder Street, Central, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Mr. Ho King Yee. He holds a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University, and is a member of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company is Mr. Tang Sing Ming Sherman, who is also an executive Director, the chairman of the Board and the chief executive officer of the Company.
- (f) In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong at 8th Floor, Pedder Building, 12 Pedder Street, Central, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the two years ended 31 March 2010 and 31 March 2011;
- (c) the material contracts as referred to under the paragraph headed "Material Contracts" in this appendix;
- (d) the Sale and Purchase Agreement; and
- (e) the letter from the Messis Capital Limited referred to in this circular

NOTICE OF EGM



e p i c u r e a n | 惟 膳
Epicurean and Company, Limited
惟 膳 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

**MAJOR AND CONNECTED TRANSACTION –
DISPOSAL OF THE ENTIRE INTEREST IN
ARMITAGE TECHNOLOGIES HOLDING (BVI) LIMITED**

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders of Epicurean and Company, Limited (the “**Company**”) will be held at 10th Floor, Everwin Centre, 72 Hung To Road, Kwun Tong, Kowloon, Hong Kong on 18 April 2012 at 11:00 a.m or any adjournment thereof for the purpose of considering and, if thought fit, pass with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) the entering into the Sale and Purchase Agreement dated 8 March 2012 (“**Sale and Purchase Agreement**”) between the Company and Figo Investments Limited (“**Purchaser**”) in relation to the sale and purchase of the entire issued share capital of Armitage Technologies Holding (BVI) Limited (“**ATH(BVI)**”) and the entire shareholder’s loans (“**Shareholder’s Loans**”) due and owing by ATH(BVI) to the Company (a copy of the Sale and Purchase Agreement has been tabled before this meeting marked “A” and initialled by the chairman of this meeting for identification purpose), the Assignment of Shareholder’s Loans and the respective transactions contemplated thereunder be hereby approved, confirmed and ratified; and

NOTICE OF EGM

- (b) any one Director be and is hereby authorised to do all such acts and things and execute all such documents which he considers necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Sale and Purchase Agreement, the Assignment of Shareholder's Loans and the respective transactions contemplated thereunder."

Terms defined in the circular of even date issued by the Company (the "**Circular**") to its shareholders shall have the same meanings in this notice of EGM unless the context otherwise specified.

By order of the Board of
Epicurean and Company, Limited
Tang Sing Ming Sherman
Chairman

Hong Kong, 29 March 2012

Notes:

- (a) Any member entitled to attend and vote at the EGM is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a member of the Company.
- (b) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
- (c) In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from subsequently attending and voting at the EGM or any adjourned meeting should you so wish.