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ROYAL CATERING GROUP HOLDINGS COMPANY LIMITED

皇璽餐飲集團控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8300)

DISCLOSEABLE TRANSACTIONS REDEMPTION OF INTEREST IN FUNDS

The Board announces that on 16 May 2019, the Subscriber (a wholly-owned subsidiary of the Company) has redeemed its interest in Fund A at the aggregate redemption price of approximately HK\$17.26 million and its interest in Fund B at the aggregate redemption price of approximately HK\$18.02 million.

As the highest applicable percentage ratio as defined under the GEM Listing Rules in respect of each of the Redemptions exceeds 5% and is lower than 25%, each of the Redemptions constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

REDEMPTION OF INTEREST IN FUNDS

Reference is made to (1) the announcement of the Company dated 14 June 2017 in relation to the subscription of Fund A; and (2) the announcement of the Company dated 28 July 2017 in relation to the subscription of Fund B.

The Board announces that on the Redemption Date, the Subscriber has redeemed its interest in Fund A at the aggregate redemption price approximately of HK\$17.26 million and its interest in Fund B at the aggregate redemption price of approximately HK\$18.02 million. The redemption price is equivalent to the respective aggregate net asset value the Subscriber's interest in the Funds as at the Redemption Date pursuant to the terms of the Funds. Following the Redemptions, the Group ceases to hold any interest in the Funds.

The net proceeds from the redemption of interest in Fund A and Fund B are approximately HK\$17.26 million and approximately HK\$18.02 million, respectively. The net proceeds from the Redemptions are intended to be used as general working capital of the Group and for investments when suitable investment opportunities are identified in future.

INFORMATION OF THE FUNDS

Fund A is a sub-fund of Allianz Global Investors Fund, which is constituted as an open ended investment company in Luxembourg. Fund B is a portfolio of AB FCP I, a mutual investment fund domiciled in Luxembourg. Please refer to the announcements of the Company dated 14 June 2017 and 28 July 2017, respectively, for further details of the Funds.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the respective management company (namely Allianz Global Investors GmbH and AllianceBernstein (Luxembourg) S.à r.l.), investment manager (namely AllianceBernstein L.P. and AllianceBernstein L.P.) and distribution agent (namely Nanyang Commercial Bank, Limited) of the Funds and their ultimate beneficial owners are Independent Third Parties.

INFORMATION OF THE GROUP AND THE SUBSCRIBER

The Group is principally engaged in the provision of food catering services through a chain of casual dining food catering services restaurants. The Subscriber is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFITS OF THE REDEMPTIONS

The Group invested in Fund A and Fund B in June 2017 and July 2017, respectively, at an investment cost of HK\$20.0 million (including 1.1% subscription fee) for each Fund. Since the subscription of the Funds, the Group has received an aggregate dividend income from the Investment Date to the Redemption Date of approximately HK\$2.98 million from Fund A and approximately HK\$2.21 million from Fund B.

Given that interest in the Funds is classified by the Group as financial assets at fair value through profit or loss, it is expected that the Group will record an aggregate loss from the Investment Date to the Redemption Date of approximately HK\$2.52 million and approximately HK\$1.98 million from the redemption of its interest in Fund A and Fund B, respectively. Shareholders and potential investors of the Company should note that the actual gain or loss as a result of the Redemptions to be recorded by the Group is subject to audit.

The Company has been seeking capital appreciation opportunities with a view to enhance the application of its surplus fund and maximize the return to the Shareholders. Having considered the recent unstable market condition and the risks associated with continual holding of interest in the Funds, the Directors consider that the Redemptions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the highest applicable percentage ratio as defined under the GEM Listing Rules in respect of each of the Redemptions exceeds 5% and is lower than 25%, each of the Redemptions constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Royal Catering Group Holdings Company Limited (皇璽餐飲集團控股有限公司), a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the GEM of the Stock Exchange (Stock Code: 8300)
“Directors”	the director(s) of the Company
“Fund A”	Allianz US High Yield Share Class AM (HKD)
“Fund B”	AB — Global High Yield Portfolio (AT HKD)
“Funds”	collectively, Fund A and Fund B
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of People’s Republic of China
“Independent Third Party”	a third party which is independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company
“Investment Date”	the respective date of subscription of the Funds
“Redemption Date”	the date of the Redemptions, being 16 May 2019
“Redemptions”	collectively, the redemption of interest in Fund A and Fund B by the Subscriber

“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Palace Corporation Limited

By order of the Board
Royal Catering Group Holdings Company Limited
Wong Man Wai
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 17 May 2019

As at the date of this announcement, the executive Directors are Mr. Wong Man Wai, Mr. Chan Chak To Raymond and Ms. Lam Wai Kwan; and the independent non-executive Directors are Mr. Ma Yiu Ho Peter, Mr. Cai Chun Fai and Mr. Ng Sai Cheong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its posting. This announcement will also be published on the Company’s website at www.hkrcg.com.