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Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus (the “Prospectus”) of Royal Catering Group Holdings Company Limited (the “Company”) dated 1 August 2016.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares or other securities of the Company. Potential investors should read the Prospectus carefully for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

Royal Catering Group Holdings Company Limited

皇璽餐飲集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 500,000,000 Shares

Placing Price : HK\$0.15 per Placing Share (payable in full on application in Hong Kong dollars, plus brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%)

Nominal value : HK\$0.01 per Share

Stock code : 8300

Sole Sponsor



Sole Bookrunner and Sole Lead Manager



- The Placing Price has been determined at HK\$0.15 per Placing Share (excluding brokerage of 1.0%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$0.15 per Placing Share, the net proceeds to be received by the Company from the Placing, after deducting the underwriting fees and other expenses, are approximately HK\$47.0 million.
- The 500,000,000 Placing Shares offered under the Placing have been moderately over-subscribed and have been conditionally allocated to a total of 124 selected individual, professional and institutional investors in Hong Kong.
- A total of 23 placees have been allotted two board lots of Shares or less, representing approximately 18.5% of the total number of placees under the Placing.
- The Offer Size Adjustment Option has not been exercised by the Sole Lead Manager and has lapsed.
- The Directors confirm that, to the best of their knowledge and belief, all the placees under the Placing (the "Placees") are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the Placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the Placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No Placees will individually be placed over 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing.
- The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Monday, 8 August 2016. Shares will be traded in board lots of 20,000 Shares each. The stock code for the Shares is 8300.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

Pursuant to the Price Determination Agreement entered into between the Company and the Sole Lead Manager (for itself and on behalf of the Underwriters) dated 3 August 2016, the Placing Price was agreed to be HK\$0.15 per Placing Share (excluding brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%). The net proceeds to be received by the Company from the Placing, after deducting underwriting fees and other expenses, are approximately HK\$47.0 million. The Directors intend to use such net proceeds in accordance with the purposes set forth in the section headed “Future Plans and Use of Proceeds” in the Prospectus in the following manner:

- approximately 74.5% of the net proceeds, or approximately HK\$35.0 million, for opening of new restaurants among which (i) approximately 12.6% of the net proceeds, or approximately HK\$5.9 million will be applied for the opening of a new franchised restaurant under third party’s brand through franchising or other cooperation arrangement at the Hong Kong International Airport; (ii) approximately 12.6% of the net proceeds, or approximately HK\$5.9 million will be applied for the opening of a new restaurant under our self-owned brand at the Hong Kong International Airport; (iii) approximately 22.5% of the net proceeds, or approximately HK\$10.6 million will be applied for the opening of two new restaurants under our self-owned brand “*Taiwan Beef Noodle (台灣牛肉麵)*” in the urban area of Hong Kong; and (iv) approximately 26.8% of the net proceeds, or approximately HK\$12.6 million will be applied for the opening of two new restaurants under our self-owned brand “*Taiwan Beef Noodle (台灣牛肉麵)*” in the PRC;
- approximately 17.7% of the net proceeds, or approximately HK\$8.3 million, for renovation of our restaurants operating at the Hong Kong International Airport;
- approximately 4.0% of the net proceeds, or approximately HK\$1.9 million, for recruitment and staff training;
- approximately 2.3% of the net proceeds, or approximately HK\$1.1 million, for upgrading existing restaurant facilities and systems; and
- approximately 1.5% of the net proceeds, or approximately HK\$0.7 million, for marketing activities to promote brand awareness.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 500,000,000 Placing Shares offered under the Placing have been moderately over-subscribed.

The Offer Size Adjustment Option has not been exercised by the Sole Lead Manager and has lapsed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 500,000,000 Placing Shares, representing 25% of the enlarged issued share capital of the Company, have been conditionally allocated to a total of 124 selected individual, professional and institutional investors in Hong Kong. A total of 23 placees have been allotted two board lots of Shares or less, representing approximately 18.5% of the total number of placees under the Placing. The distribution of the Placing Shares is set forth below:

	Aggregate number of Placing Shares allocated	Aggregate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top Placee	40,000,000	8.00%	2.0%
Top 5 Placees	155,240,000	31.05%	7.8%
Top 10 Placees	253,980,000	50.80%	12.7%
Top 25 Placees	446,320,000	89.26%	22.3%

Number of Placing Shares allocated	Number of Placees
20,000 to 200,000	71
200,001 to 500,000	4
500,001 to 1,000,000	12
1,000,001 to 5,000,000	11
5,000,001 to 10,000,000	7
10,000,001 to 20,000,000	14
20,000,001 to above	5
Total:	124

The Directors confirm that, to the best of their knowledge and belief, all the Placees are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the Placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the Placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No Placees will individually be placed over 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing.

There will not be any new substantial shareholders within the meaning of the GEM Listing rules immediately after completion of the Placing and the Capitalisation Issue.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be 25% of the issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders at the time of the Listing.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date which is expected to be on 8 August 2016, or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for application monies paid. The Company will not issue any temporary documents or evidence of title.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or about Friday, 5 August 2016 for credit to the respective CCASS Participants' stock accounts or CCASS Investor Participants' stock accounts of the Sole Bookrunner, the Placees or their agents (as the case may be) based on their respective instructions.

Prospective investors of the Placing Shares should note that the Sole Sponsor and/or the Sole Lead Manager (for itself and on behalf of the Underwriters) is entitled to terminate the Underwriting Agreement by giving notice in writing to the Company upon the occurrence of any of the events set out in the paragraph headed "Underwriting — Underwriting Agreement and expenses — Grounds for termination" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date

which is expected to be on 8 August 2016. In the event that the Underwriting Agreement is terminated, the Placing will lapse and thereafter, all money received will be refunded to applicants of the Placing without interests and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hkrcg.com on the next business day immediately following the date of such lapse.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms and conditions prior to 8:00 a.m. on the Listing Date which is expected to be on 8 August 2016.

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Monday, 8 August 2016. Shares will be traded in board lots of 20,000 Shares each. The stock code for the Shares is 8300. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hkrcg.com.

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

Hong Kong, 5 August 2016

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. Cheng Wing Hong and Mr. Cai Chun Fai.

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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.hkrcg.com.