



U BANQUET GROUP HOLDING LIMITED

譽宴集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8107)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2014**

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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This announcement, for which the directors (the “Directors”) of U Banquet Group Holding Limited (the “Company”) 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 (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.

FIRST QUARTERLY RESULTS

The board of Directors (the “Board”) of U Banquet Group Holding Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2014 together with the comparative unaudited figures for the corresponding period in 2013 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2014

		For the three months ended 31 March	
		2014	2013
		(Unaudited)	(Unaudited)
	Note	HK\$'000	HK\$'000
Revenue	3	102,701	89,780
Other income	3	279	181
Cost of revenue	4	(24,968)	(21,709)
Employee benefit expenses		(26,577)	(18,919)
Depreciation		(3,539)	(4,976)
Operating lease payments		(15,091)	(9,254)
Utilities expenses		(8,538)	(7,007)
Other expenses	5	(21,061)	(14,152)
Operating profit		3,206	13,944
Finance income		189	148
Finance costs		(79)	(47)
Finance income — net		110	101
Profit before income tax		3,316	14,045
Income tax expense	6	(1,289)	(2,453)
Profit and total comprehensive income for the year		2,027	11,592
Profit and total comprehensive income attributable to:			
Owners of the Company		988	10,590
Non-controlling interests		1,039	1,002
		2,027	11,592
Basic earnings per share	7	0.3 cents	3 cents
Diluted earnings per share	7	0.2 cents	3 cents
Dividend	8	—	—

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three months ended 31 March 2014

Attributable to owners of the Company

	Attributable to owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Share-based payment reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 January 2014 (audited)	4,000	39,873	55,652	18,950	(47,778)	70,697	41	70,738
Profit and total comprehensive income for the period	—	—	—	—	988	988	1,039	2,027
Balance as at 31 March 2014 (unaudited)	<u>4,000</u>	<u>39,873</u>	<u>55,652</u>	<u>18,950</u>	<u>(46,790)</u>	<u>71,685</u>	<u>1,080</u>	<u>72,765</u>
Balance as at 1 January 2013 (audited)	11	—	50,486	—	(15,270)	35,227	1,362	36,589
Profit and total comprehensive income for the period	—	—	—	—	10,590	10,590	1,002	11,592
Balance as at 31 March 2013 (unaudited)	<u>11</u>	<u>—</u>	<u>50,486</u>	<u>—</u>	<u>(4,680)</u>	<u>45,817</u>	<u>2,364</u>	<u>48,181</u>

NOTES TO FIRST QUARTERLY FINANCIAL INFORMATION

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 20 June 2013 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of the Company's registered office is Flat F, 28/F, Block 2, Vigor Industrial Building, 49-53 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively, the "Group") are principally engaged in the operation of a chain of Chinese restaurants, provision of wedding services and distribution of goods consisting of fresh vegetables, fruits, seafood and frozen meat in Hong Kong.

The Company's shares have been listed on the GEM of The Stock Exchange of Hong Kong Limited since 10 December 2013.

This condensed consolidated financial information has not been audited.

2 BASIS OF PREPARATION

The unaudited quarterly financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The accounting policies used in the preparation of the unaudited condensed consolidated results are consistent with those used in the audited financial statements and notes thereto for the year ended 31 December 2013.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting periods beginning on 1 January 2014, the adoption has no material impact on the reported results and the financial position of the Group for the current or prior accounting periods; and for those which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position.

The first quarterly financial statements have been prepared on the historical cost basis. The first quarterly financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Group.

The first quarterly results are unaudited but have been reviewed by the Company's audit committee.

3 REVENUE AND OTHER INCOME

Turnover consists of revenue from (i) operation of Chinese restaurants including provision of dining and wedding banquet services, (ii) provision of wedding services, and (iii) distribution of goods, consisting of fresh vegetables, fruits, seafood and frozen meat, during the year are as follows:

	For the three months ended 31 March	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Revenue		
Revenue from Chinese restaurants operations	100,334	85,907
Revenue from provision of wedding services	1,138	1,792
Revenue from distribution of goods	1,229	2,081
	<u>102,701</u>	<u>89,780</u>
Other income		
Forfeiture of deposits received	265	128
Miscellaneous income	14	53
	<u>279</u>	<u>181</u>
Total revenue and other income	<u><u>102,980</u></u>	<u><u>89,961</u></u>

4 COST OF REVENUE

	For the three months ended 31 March	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Cost of materials consumed	24,043	19,996
Cost of provision of wedding services	246	1,316
Cost of distribution of goods	679	397
	<u>24,968</u>	<u>21,709</u>

5 OTHER EXPENSES

	For the three months ended	
	31 March	
	2014	2013
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Auditors' remuneration	48	41
Advertising and promotions	2,773	1,889
Cleaning and laundry expenses	1,562	1,066
Credit card charges	1,025	849
Kitchen consumables	497	888
Repairs and maintenance	1,610	755
Entertainment	1,139	800
Consumable stores	704	476
Insurance	628	541
Legal and professional fee	2,025	236
Printing and stationery	328	267
Staff messing	634	587
Service fee to temporary workers	4,783	3,461
Consultancy service fee	948	—
Wedding banquet expenses	791	814
Transportation	628	256
Professional fee in respect of listing of the Company's shares	—	500
Others	938	726
	<u>21,061</u>	<u>14,152</u>

6 INCOME TAX EXPENSE

	For the three months ended	
	31 March	
	2014	2013
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current income tax		
Current income tax on profits for the period	1,189	2,596
Deferred income tax		
Origination and reversal of temporary differences	100	(143)
Income tax expense	<u>1,289</u>	<u>2,453</u>

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the three months ended 31 March 2014 (2013: 16.5%).

7 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the three months ended 31 March 2014.

	For the three months ended 31 March	
	2014 (Unaudited)	2013 (Unaudited)
Profit attributable to owners of the Company (<i>HK\$ '000</i>)	<u>988</u>	<u>10,590</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>375,570</u>	<u>325,570</u>
Basic earnings per share (<i>HK\$</i>)	<u>0.3 cents</u>	<u>3 cents</u>

The calculation of basic earnings per share for the three months ended 31 March 2014 is based on the profit attributable to owners of the Company of HK\$988,000 (2013: HK\$10,590,000) and the weighted average of 375,570,000 ordinary shares in issue (2013: 325,570,000 ordinary shares).

The weighted average number of shares in issue during the three months ended 31 March 2014 represents the 400,000,000 shares issued by the Company after deducting the effect of the 24,430,000 contingent returnable shares under share-based payment.

The weighted average number of shares in issue during the three months ended 31 March 2013 represents the 325,570,000 shares in issue before the listing of shares of the Company as if such shares had been outstanding during the entire period of 2013.

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: contingent returnable shares.

	For the three months ended 31 March	
	2014 (Unaudited)	2013 (Unaudited)
Profit attributable to owners of the Company (<i>HK\$ '000</i>)	<u>988</u>	<u>10,590</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>375,570</u>	<u>325,570</u>
Adjustment for: — contingent returnable shares	<u>24,430</u>	<u>24,430</u>
Weighted average number of ordinary shares for diluted earnings per share (<i>thousands</i>)	<u>400,000</u>	<u>350,000</u>
Diluted earnings per share (<i>HK\$</i>)	<u>0.2 cents</u>	<u>3 cents</u>

The calculation of diluted earnings per share for the three months period 31 March 2014 is based on the profit attributable to owners of the Company of HK\$988,000 (2013: HK\$10,590,000) and the weighted average of 400,000,000 ordinary shares outstanding assuming conversion of contingent returnable shares (2013: 350,000,000 ordinary shares).

The weighted average number of ordinary shares for diluted earnings per share represents the weighted average number of shares in issue during the three months ended 31 March 2014 adjusted by the conversion of 24,430,000 contingent returnable shares.

The weighted average number of shares in issue during the three months ended 31 March 2013 represents the 325,570,000 shares in issue before the listing of shares of the Company as if such shares had been outstanding during the entire period of 2013, and the number of shares were then adjusted.

8 DIVIDEND

The directors do not recommend the payment of dividend for the three months ended 31 March 2014 (2013: Nil).

9 OPERATING LEASE COMMITMENTS

The Group leases various restaurant properties and equipment under non-cancellable operating lease agreements. The lease agreements are between two and nine years, and majority of lease arrangements are renewable at the end of the lease period with either pre-set increment rate or market rate to be agreed with landlord.

The operating leases of certain restaurant properties also call for additional rentals, which will be based on a certain percentage of revenue of the operation being undertaken therein pursuant to the terms and conditions as stipulated in the respective rental agreements. As the future revenue of these restaurants could not be accurately determined as at the balance sheet date, the relevant contingent rentals have not been included.

The future aggregate minimum lease payments under non-cancellable operating leases in respect of properties and equipment are as follows:

	For the three months ended 31 March	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
No later than 1 year	58,411	45,345
Later than 1 year and no later than 5 years	89,674	107,646
Later than 5 years	4,461	—
	<u>152,546</u>	<u>152,991</u>

The future aggregate lease payments under optional operating leases in respect of properties are as follows:

	For the three months ended 31 March	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Later than 1 year and no later than 5 years	113,739	74,125
Later than 5 years	53,564	93,925
	<u>167,303</u>	<u>168,050</u>

MANAGEMENT DISCUSSION AND ANALYSIS

The Board is pleased to announce the Group's first quarterly results for the three months ended 31 March 2014.

BUSINESS AND OPERATIONAL REVIEW

The Group is principally engaged in the operation of full-services Chinese restaurants including the provision of dining and wedding banquet services, provision of wedding services and distribution of goods consisting of fresh vegetables, fruits, seafood and frozen meat in Hong Kong.

Restaurants Operation

For the three months ended 31 March 2014, the Group operated a total of nine restaurants, eight of which under "U Banquet (譽宴)" brand and one of which under "Hot Pot Cuisine (涮得棧)" brand.

Compared to the corresponding period, the Group successfully opened three new restaurants, namely, U Banquet (Wong Tai Sin), Hot Pot Cuisine Restaurant and U Banquet (Sino Plaza) and closed one restaurant, namely, U Banquet (Wan Chai) as the lease for the premises has expired in May 2013. The newly opened restaurants of the Group expand our restaurant network and geographical footprint which further solidify our position in the Chinese full-service restaurant industry in Hong Kong.

Provision of Wedding Services

We operated two shops which provide shooting of wedding photos, rental and sale of wedding gowns and decoration and rental of wedding halls under the trade name of "U Weddings" during the three months ended 31 March 2014. We distinguish ourselves from our competitors by the ability to provide both one-stop, high quality wedding banquet and wedding services as a specialised wedding service provider which is able to meet all the needs of our customers.

Distribution of Goods

Our distribution of goods business consists of sourcing fresh vegetables, fruits, seafood and frozen meat to mainly local restaurants and other food ingredient suppliers. During the three months ended 31 March 2014, we continued to seek potential customers in respect of distribution of goods business to broaden our revenue stream.

FINANCIAL REVIEW

Revenue

During the three months ended 31 March 2014, the Group's revenue amounted to approximately HK\$102,701,000, representing an increase of approximately 14% as compared to the corresponding period in 2013. The increase was primarily due to the contribution from the newly opened restaurants in Wong Tai Sin and Sino Plaza.

Revenue was mainly generated from the operation of restaurants of approximately HK\$100,334,000, representing approximately 98% of total revenue. It increased by approximately 17% or HK\$14,427,000 from approximately HK\$85,907,000 as compared to the corresponding period in 2013. Excluding those restaurants newly opened or closed, revenue from operation of restaurants for the three months ended 31 March 2014 decreased by approximately 6% or HK\$4,411,000. This was mainly due to decrease of the number of wedding banquet services contracts during the period under review as the low season in 2013 started in mid-February

while that in 2014 started in late January. As a result, the proportion of revenue from wedding banquet to the revenue from operation of restaurants decreased from approximately 38% to 23% for the three months ended 31 March 2013 and 2014, respectively.

Revenue arising from the distribution of goods decreased by approximately 41% or HK\$852,000 as one of the Group's major customers had ceased its business during the period under review.

Cost of Revenue

Cost of revenue for the three months ended 31 March 2014 amounted to approximately HK\$24,968,000, representing an increase of approximately 15% compared to the corresponding period in 2013. The rise was in line with the increase of revenue for the three months ended 31 March 2014. The cost of revenue comprised cost of materials consumed, cost of distribution of goods and cost of provision of wedding services. The cost of revenue remained stable representing approximately 24% of the Group's revenue for the three months ended 31 March 2014.

Employee Benefit Expenses

Employee benefits expenses were approximately HK\$26,577,000 (2013: HK\$18,919,000). The increase was mainly due to the newly opened U Banquet (Wong Tai Sin), Hot Pot Cuisine Restaurant and U Banquet (Sino Plaza), and the wage adjustments to retain experienced staff under the inflationary environment.

Operating Lease Payments

Operating lease payments for the three months ended 31 March 2014 amounted to approximately HK\$15,091,000, an increase of approximately 63% as compared to the corresponding period in 2013. The increase was mainly due to two new lease agreements signed for new restaurants during the period.

Other Expenses

Other expenses mainly represent expenses incurred for the Group's operation, consisting of service fee to temporary workers, kitchen consumables, laundry, cleaning, repair and maintenance, advertising and promotion, etc. For the three months ended 31 March 2014, it amounted to approximately HK\$21,061,000, representing an increase of approximately 49% as compared to the corresponding period in 2013. This rise was primarily due to certain administration expenses incurred related to the listing of the Company on the GEM and increase of other expenses for a newly opened restaurant, i.e. U Banquet (Sino Plaza) for the three months ended 31 March 2014 while there were no such expenses for the corresponding period in 2013. In addition, consultancy service fees related to corporate advisory services incurred by the Group for the three months ended 31 March 2014 was amounted to approximately HK\$950,000, while no such expenses was incurred for the corresponding period in 2013.

Profit Attributable to Owners and Net Profit Margin

Profit attributable to owners of the Group decreased substantial by approximately 91% to approximately HK\$988,000, representing a net profit margin of approximately 1% (2013:11%). The significant drop of profit attributable to owners of the Group and the net profit margin was mainly due to decreased of proportion of revenue from wedding banquet to the revenue from operation of restaurants which normally wedding banquet generate a higher profit margin than dining services and increases in employee benefit expenses, operating lease payments and other expenses for the three months ended 31 March 2014 as compared to the same period in 2013. Hence, the profit attributable to owners of the Group and the net profit margin was decreased.

Dividend

The Directors do not recommend payment of dividend for the three months ended 31 March 2014.

Prospects

Despite the keen competition of the restaurant business in Hong Kong, the Group is able to maintain its market position, being one of the top Chinese wedding banquet specialists in the wedding banquet market in Hong Kong. To maintain its competitive edge, the Group will continue position ourselves entirely different from traditional, single service focused Chinese restaurants in Hong Kong.

The successful listing of the shares of the Company on the GEM of the Stock Exchange on 10 December 2013 enhanced the Group's profile and the net proceeds from the listing strengthened the Group's financial position and enabled the Group to implement its business plan set out in the prospectus dated 28 November 2013 under the section headed "Future Plans and Use of Proceeds".

The Group will continue expanding its scope of business, including opening more local restaurants proactively in order to sustain the Group's growth and deliver satisfactory returns to its shareholders. The Board is optimistic that the Group's persistence in food and service qualities will enable the Group to grow in the foreseeable future.

Reference is made to the Group's development plan described in the prospectus of the Company dated 28 November 2013. The Directors originally expected that the lease agreement for a new restaurant to be opened in 2014 will be entered into in the second quarter of 2014. Up to the date of this announcement, the Company has yet to reach an agreement with the landlord in respect of the rental terms for the premises, such proposal may be postponed. The Company is actively looking for any suitable locations with a view to opening a new restaurant by the end of 2014.

CORPORATE GOVERNANCE

The Company is committed to ensure a high standard of corporate governance in the interests of the shareholders and devotes considerable effort to maintain high level of business ethics and corporate governance practices. The Company has complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules throughout the three months ended 31 March 2014. The Company has applied the principles of, and complied with, the applicable code provisions of the CG Code during the three months ended 31 March 2014, except for certain deviations as specified with considered reasons for such deviations as explained below.

Under Code Provision A.2.1 of the CG Code, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual.

During the three months ended 31 March 2014 under review, the Company has not separated the roles of chairman and chief executive officer of the Company. Mr. Cheung Ka Ho was the chairman and also the chief executive officer of the Company responsible for overseeing the operations of the Group during such period. Due to the nature and the extent of the Group's operations and Mr. Cheung Ka Ho's in-depth knowledge and experience in the industry and his familiarity with the operations of the Group, the Board believes that vesting the roles of both Chairman and chief executive officer in the same person provides the Group with strong and consistent leadership enabling the Group to operate efficiently. The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high-calibre individuals, with 3 of them being Independent Non-Executive Directors. Nevertheless, the Company will continue to look for suitable candidates and will make necessary arrangement pursuant to the requirement under A.2.1 of CG Code as and when necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Group had adopted Rules 5.48 to Rules 5.67 Rules of the GEM Listing Rules ("Model Code") as its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings.

Having made specific enquiry with all the directors and all the directors of the Company had confirmed compliance with the required standard of dealings and the code of conduct for directors' securities transactions during the three months ended 31 March 2014.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company during the three months ended 31 March 2014.

AUDIT COMMITTEE REVIEW

Pursuant to the requirements of the CG Code and the GEM Listing Rules, the Company has established an audit committee (the "Audit Committee") which comprises three independent non-executive Directors. Mr. Wong Sui Chi is the chairman of the Audit Committee.

The unaudited first quarterly financial results for the three months ended 31 March 2014 have been reviewed by the Audit Committee.

COMPETING BUSINESS

For the three months ended 31 March 2014, the Directors are not aware of any business or interest of the Directors, the management of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2014, Mr. Cheung Ka Ho, Mr. Cheung Ka Kei and Ms. WONG Tsip Yue, Pauline, Directors, had the following interests in the shares and underlying shares of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) as recorded in the register required to be kept under section 352 of SFO:

Name of Directors	Name of Companies	Capacity	Number of shares and underlying shares	Percentage of shareholding
Mr. CHEUNG Ka Ho	the Company	Interest in a controlled corporation (<i>Note 1</i>)	275,570,000	68.89%
Mr. CHEUNG Ka Kei	the Company	Interest in a controlled corporation (<i>Note 1</i>)	275,570,000	68.89%
Mr. CHEUNG Ka Ho	U Banquet (Cheung’s) Holdings Company Limited (“U Banquet (Cheung’s)”)	Personal interest (held as beneficial owner) (<i>Note 2</i>)	585	58.50%
Mr. CHEUNG Ka Kei	U Banquet (Cheung’s)	Personal interest (held as beneficial owner) (<i>Note 2</i>)	415	41.50%
Ms. WONG Tsip Yue, Pauline	the Company	Interest of spouse (<i>Note 3</i>)	200,000	0.05%

Notes:

1. Mr. Cheung Ka Ho and Mr. Cheung Ka Kei are the beneficial owner of U Banquet (Cheung’s) which directly held 275,570,000 shares of the Company.
2. U Banquet (Cheung’s) is a holding company of the Company. Therefore, U Banquet (Cheung’s) is an associated corporation of the Company within the meaning of Part XV of the SFO.
3. Ms. WONG Tsip Yue, Pauline, spouse of Mr. SUEN Wa Hing Hornby, was deemed to be interested in the 200,000 shares in which Mr. SUEN Wa Hing Hornby is interested for the purpose of the SFO.
4. All interests stated above represent long positions.

During the three months ended 31 March 2014, there were no debt securities issued by the Group at any time. Save as disclosed herein, as at 31 March 2014, none of the Directors or chief executive of the Company or their associates had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM Listing Rules”), to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

To the best of Director's knowledge, at 31 March 2014, the following shareholders had interests in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Long positions in shares of the Company

Name	Capacity	Number of shares	Percentage of shareholding
U Banquet (Cheung's) (Note 1)	Beneficial owner	275,570,000	68.89%
Century Great Investments Limited (Note 2)	Beneficial owner	24,430,000	6.1%

Notes:

1. Mr. Cheung Ka Ho and Mr. Cheung Ka Kei, both Directors, are the beneficial owner of U Banquet (Cheung's), being the holding company of the Company, and were therefore deemed to have an interest in the shares which U Banquet (Cheung's) were interested. Ms. Lam Hoi Yan, spouse of Mr. Cheung Ka Ho and Ms. Lau Lai Mau, spouse of Mr. Cheung Ka Kei, were deemed to be interested in the 275,570,000 shares in which Mr. Cheung Ka Ho and Mr. Cheung Ka Kei are interested for the purpose of the SFO.
2. Mr. Law Sai Hung is the beneficial owner of Century Great Investments Limited, which directly held 24,430,000 shares of the Company, and has therefore deemed to have an interest in the shares which Century Great Investments Limited were interested.

By Order of the Board
U Banquet Group Holding Limited
Cheung Ka Ho
Chairman and Executive Director

Hong Kong, 8 May 2014

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Cheung Ka Ho (Chairman)
Mr. Cheung Ka Kei
Mr. Kan Yiu Pong

Independent Non-Executive Directors:

Mr. Chung Kong Mo *JP*
Ms. Wong Tsip Yue, Pauline
Mr. Wong Sui Chi

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for seven days from the day of its posting and on the website of the Company at www.u-banquetgroup.com.