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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: 1483)

DISCLOSEABLE TRANSACTION REDEMPTION OF FUND

THE REDEMPTION

On 27 April 2021, the Subscriber, an indirect wholly-owned subsidiary of the Company, has served a redemption request to the Fund, pursuant to which the Company intended to redeem all of its Class B Shares in the Fund at the aggregate redemption proceeds of approximately US\$7,218,000.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Redemption exceeds 5% but all are less than 25%, the Redemption constitutes a disclosable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

Reference is made to the announcements of the Company dated 2 July 2020 and 13 July 2020 in relation to the Subscription.

According to the provisions contained in the Private Placement Memorandum, Class B Shares may be redeemed at the option of the holders of the Participating Shares on the first Business Day of May 2021. Any Participating Shares have not been redeemed on the first Business Day of May 2021 will be redeemed at the end of the Term. A holder wishing to redeem its participating shares must send a redemption request to the administrator of the Fund and must be received by the administrator of the Fund on a business day falling at least 2 weeks (or such shorter period as the directors of Fund may permit, either generally or in any particular case) before the first Business Day of May 2021.

THE REDEMPTION

The Board announces that, on 27 April 2021, the Subscriber has served a redemption request to the Fund, pursuant to which the Subscriber intended to redeem all of its Class B Shares in the Fund at the aggregate redemption proceeds of approximately US\$7,218,000. Pursuant to the terms of the Private Placement Memorandum, payment of redemption proceeds will normally be made within 30 calendar days of the later of: 1) the relevant Redemption Day; 2) the day on which the Manager or the administrator of the Fund has received all such other in-formation and documentation as may be required for the Redemption; 3) the Segregated Portfolio receives the proceeds from investment in full. The redemption price for the Redemption shall be equal to the net asset value per Class B Shares as at the Valuation Day immediately preceding the relevant redemption day.

FINANCIAL EFFECT OF THE REDEMPTION

The proceeds from the Redemption is approximately US\$7,218,000 (at the redemption price of Class B Share, calculated based on the applicable net asset value per Class B Share as at the Valuation Day). After completion of the Redemption, the Subscriber will not hold any Class B Shares in the Fund. It is expected that the Group will record a gain of approximately US\$218,000 from the Redemption, being the difference between the proceeds of the Redemption and the initial subscription price of the Class B Share being redeemed. The actual gain or loss as a result of the Redemption to be recorded by the Subscriber is subject to audit.

INFORMATION ON THE SEGREGATED PORTFOLIO AND THE MANAGER

The Deep Blue SP I was designated as a segregated portfolio of the Fund by the board of directors of the Fund in July 2017. The investment objective of the Segregated Portfolio is to maximise capital appreciation by investing in a wide range of instruments mainly in listed bonds, but not limited to listed equities, convertible securities, equity-related instruments, debt securities and obligations (which may be below investment grade), currencies, swaps and other derivative instruments. As advised by the Manager, the Manager intends to focus on investing in corporate bonds denominated in US\$ issued by PRC property developers during the Term, and depending on conditions and trends in the securities markets and the economy in general, different strategies or investment techniques may be pursued or employed.

The Manager is a limited company incorporated in Hong Kong and is a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance of Hong Kong. The Manager is experienced in investment in listed securities in Hong Kong, Pre-IPO investments and bond investments, which are also the focuses of the funds that are currently under the management of the Manager.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Segregated Portfolio and the Manager and their respective ultimate beneficial owners is independent of and not connected with the Company and its connected persons.

INFORMATION ON THE GROUP

The Group is principally engaged in three operating segments, (i) environmental maintenance business; (ii) property leasing business; and (iii) securities trading business.

REASONS FOR AND BENEFITS OF THE REDEMPTION

Taking into account the cash inflow that will be brought by the Redemption, the Directors consider that the Redemption represents a good opportunity for the Group to realize such investment so that it can re-allocate its resources to its other existing businesses.

The proceeds from the Redemption are intended to be used as the general working capital of the Group or for investments when suitable investment opportunities arise in the future.

The Directors consider that the terms of the Redemption are fair and reasonable and the Redemption is in the interests of the Group and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Redemption exceeds 5% but all are less than 25%, the Redemption constitutes a disclosable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday or a Sunday) on which banks in Hong Kong are authorised to open for normal banking business
“Class B Shares”	Participating Shares issued as class B shares of the Segregated Portfolio
“Company”	U Banquet Group Holding Limited (譽宴集團控股有限公司), a company incorporated in Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1483)

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Fund”	Deep Blue Fund SPC, a segregated portfolio company incorporated with limited liability and registered under the Companies Law (Revised) of the Cayman Islands
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as may be amended from time to time)
“Participating Share(s)”	the non-voting redeemable participating share(s) in the Segregated Portfolio
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Private Placement Memorandum”	the private placement memorandum and the Supplement to the private placement memorandum of the Fund in respect of the Subscription, as amended or supplemented from time to time
“Redemption”	the redemption of all of the Class B Shares in the Fund by the Subscriber
“Segregated Portfolio”	Deep Blue SP I of the Fund
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Wah Shuk Holdings Limited (華戎控股有限公司), a company incorporated in Hong Kong with limited liability, and is an indirect wholly-owned subsidiary of the Company
“Subscription”	the subscription of Class B Shares in the Segregation Portfolio by the Subscriber
“Supplement”	any supplement to the Private Placement Memorandum in respect of the Segregated Portfolio, as amended or supplemented from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“Valuation Day”	the last Business Day in March, June, September and December in each year, the last Business Day in April 2021 and the last Business Day of the Term, and/or such other day or days as the board of directors of the Fund may determine, either generally or in any particular case
“%”	per cent

By order of the Board
U Banquet Group Holding Limited
Sang Kangqiao
Chairman and Executive Director

Hong Kong, 27 April 2021

As at the date of this announcement, the executive Directors are Mr. Sang Kangqiao, Mr. Xu Wenze and Mr. Cui Peng; and the independent non-executive Directors are Mr. Xu Zhihao, Mr. Lam Ka Tak and Mr. Wong Sincere.