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ROYALE HOME HOLDINGS LIMITED

皇朝家居控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1198)

VOLUNTARY ANNOUNCEMENT PROPOSED INDIRECT INVESTMENT IN SPAC THROUGH THE GROUP'S SHAREHOLDING IN A PROMOTER

The Board is pleased to announce that Chitaly Furniture (an indirect wholly owned subsidiary of the Company) made an initial indirect investment in the SPAC through its shareholding in ACE Promoter, being one of the Promoters of the SPAC.

On 14 February 2022, the Company was informed by the SPAC that it has, through its sole sponsor, submitted a listing application to the Stock Exchange to apply for the Listing.

The SPAC is a special purpose acquisition company established for the sole purpose of effecting a De-SPAC Transaction with one or more De-SPAC Target(s). In identifying its De-SPAC Targets, the SPAC intends to concentrate its efforts on companies operating in the biotechnology and technology, media and telecommunication industries in Asia, with a focus on the PRC. Nevertheless, the SPAC does not rule out the possibility that it may pursue acquisition or business combination opportunities in any other business industry, sector or geographic location.

As at the date of this announcement, the Company understands that the SPAC had not selected or approached any specific De-SPAC Target with respect to a De-SPAC Transaction and had not entered into any substantive discussion nor any binding agreement with respect to a De-SPAC Transaction.

The Promoters are subject to the lock-up requirements under the Listing Rules not to dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any securities of the SPAC (including any Successor Company upon completion of the De-SPAC Transaction) they beneficially own (including any securities of the SPAC beneficially owned by the Promoters as a result of the issue, conversion or exercise of the Class B Shares, the Promoter warrants or the triggering of Promoters' earn-out right) until 12 months after the completion of the De-SPAC Transaction.

Mr. Tse Kam Pang, the chairman of the Board and an executive Director, was appointed as the chairman of the board and a non-executive director of the SPAC on 10 February 2022.

As at the date of this announcement, details in respect of the Listing, including the size and structure of the offering and the Group's investment amount, have not yet been finalized.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The PRC remains as one of the fastest growing economies in Asia and has demonstrated strong economic recovery from the COVID-19 pandemic. The Company expects the anticipated long-term economic growth of Asia and in particular the PRC, will provide the SPAC with a robust pipeline of attractive De-SPAC Targets with promising prospects. The Company believes the initial public offering market in Hong Kong remains strong, in particular the listings of biotechnology and technology, media and telecommunication companies in the recent years. The Company believes that the Hong Kong initial public offering market will continue to attract innovative companies and investors, which in turn may make the SPAC, as a publicly listed company on the Stock Exchange, more appealing to potential De-SPAC Targets, including but not limited to those in the biotechnology and technology, media and telecommunication industries.

The Board therefore considers that the Investment is an attractive opportunity for the Group to invest in the biotechnology and technology, media and telecommunication segments with a rapid growing trend and promising prospects. As an investor of one of the Promoters, the Group would be able to indirectly benefit from the potential return after the successful completion of the De-SPAC Transaction.

LISTING RULES IMPLICATIONS

As at the date of this announcement, details in respect of the Listing, including the size and structure of the offering and the Group's total investment amount, have not yet been finalized. Based on the expected total commitment of the Group, it is expected that each of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Investment will be under 5%, hence the Investment is not expected to constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Save for the Investment and the transactions contemplated thereunder, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as at the date of this announcement, the SPAC, the Promoters and their ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

GENERAL

A redacted version of the application proof (the "**Application Proof**") of the SPAC's listing document submitted to the Stock Exchange is expected to be available on the Stock Exchange's website at <https://www.hkexnews.hk/app/appindex.html>.

The Application Proof contains, among other things, certain information relating to the SPAC, including but not limited to business, structure of offering, risk factors and the De-SPAC Transaction etc.. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which may be material.

The Investment and/or the Listing are subject to, among other things, the obtaining of an approval from the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Class A Shares and Listed Warrants, market conditions and other considerations. Shareholders and potential investors of the Company should be aware that there is no assurance that the Investment and/or the Listing will take place or as to when it may take place.

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in or investing in the securities of the Company.

Further announcement(s) will be made by the Company in relation to the Investment and/or the Listing as and when appropriate.

DEFINITIONS

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

“ACE Promoter”	ACE Promoter Ltd., a company incorporated in the British Virgin Islands on 24 January 2022 and one of the Promoters of the SPAC
“Board”	the board of Directors
“Chitaly Furniture”	Chitaly Furniture (HK) Limited (中意傢俬(香港)有限公司), a company incorporated in Hong Kong on 14 January 2013 and an indirect wholly-owned subsidiary of the Company
“Class A Share(s)”	Class A ordinary share(s) in the share capital of the SPAC with a par value of HK\$0.001 each and, after the De-SPAC Transaction, the Class A ordinary share(s) of the Successor Company or such other ordinary share(s) of the Successor Company that the Class A ordinary share(s) of the SPAC convert into or are exchanged for
“Class B Share(s)”	Class B ordinary share(s) in the share capital of the SPAC with a par value of HK\$0.001 each and, after the De-SPAC Transaction, the Class B ordinary share(s) of the Successor Company or such other ordinary shares of the Successor Company that the Class B ordinary share(s) of the SPAC convert into or are exchanged for
“close associate”	has the meaning ascribed to it under the Listing Rules
“Company”	Royale Home Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“De-SPAC Target(s)”	target(s) of a De-SPAC Transaction
“De-SPAC Transaction”	an acquisition of, or a business combination with, a De-SPAC Target by the SPAC that results in the listing of the Successor Company

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of the Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment”	the indirect investment in the SPAC made by Chitaly Furniture (an indirect wholly-owned subsidiary of the Company) through its shareholding in ACE Promoter, being one of the Promoters of the SPAC
“Listed Warrant(s)”	subscription warrant(s) to be issued to investors of the Class A Shares
“Listing”	the listing of the Class A Shares and the Listed Warrants on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Promoter(s)”	person(s) who establish(es) and manage(s) the SPAC
“SPAC”	Ace Eight Acquisition Corporation, an exempted company incorporated in the Cayman Islands with limited liability on 29 December 2021. In the context of the Listing, it is an issuer that has no operating business and is established for the sole purpose of conducting a transaction in respect of an acquisition of, or a business combination with, a target, within a pre-defined time period, to achieve the listing the target
“Stock Exchange	The Stock Exchange of Hong Kong Limited
“Successor Company”	the listed issuer resulting from the completion of the De-SPAC Transaction

“%”

per cent

By order of the Board
Royale Home Holdings Limited
Tse Kam Pang
Chairman and Executive Director

Hong Kong, 14 February 2022

As at the date of this announcement, the Board comprises two executive directors, namely, Mr. Tse Kam Pang (Chairman) and Mr. Yang Jun; four non-executive directors, namely, Mr. Wu Zhongming, Mr. Wu Dingliang, Ms. Qin You and Mr. Chen Yisheng; and three independent non-executive directors, namely, Mr. Lau Chi Kit, Mr. Yue Man Yiu Matthew and Mr. Chan Wing Tak Kevin.

* *For identification purposes only*