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婚宴專門店  
Wedding Banquet Specialist

# PALACE BANQUET HOLDINGS LIMITED 首豐控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1703)**

## VOLUNTARY ANNOUNCEMENT COMPLETION OF ACQUISITION OF DUXIAOYUE CATERING

This announcement is made by Palace Banquet Holdings Limited (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) on a voluntary basis to provide shareholders and potential investors of the Company with the latest business update of the Group.

### THE ACQUISITION

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that pursuant to the sale and purchase agreement (as supplemented and amended from time to time) (the “**SPA**”) entered into between Eternal Grand Developments Limited (長宏發展有限公司) (the “**Purchaser**”), a wholly-owned subsidiary of the Company, and Sino York Investment Holding Limited (華億投資控股有限公司) (the “**Vendor**”), the Purchaser agreed to conditionally acquire, and the Vendor agreed to conditionally sell, the entire issued share capital of Wui Fung Limited (會峰有限公司) (the “**Target Company**”) at a total consideration of HK\$13,000,000 (the “**Acquisition**”).

The Board is pleased to announce that all conditions precedent under the SPA have been satisfied and completion has taken place on 29 July 2022.

### INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in Hong Kong. As at the date of this announcement, Guangzhou Duxiaoyue Catering Management Co., Ltd.\* (廣州市度小月餐飲管理有限公司) and Guangzhou Duxiaoyue Catering Management Co., Ltd. Shenzhen Airport Branch\* (廣州市度小月餐飲管理有限公司深圳機場分店) (collectively, the “**Duxiaoyue Catering**”), which are principally engaged in dining service, are indirectly wholly-owned by the Target Company.

## **REASONS FOR AND BENEFIT OF THE ACQUISITION**

The Company is of the opinion that the above Acquisition is in compliance with the Company's development strategies, and the Acquisition will enhance and realize the expansion of restaurant business of the Group in Hong Kong and the People's Republic of China, better serve the banquet customer and further improve the Company's capability of being a full-service restaurant group.

The Directors (including the independent non-executive Directors) are of the view that the consideration and terms of the Acquisition are fair and reasonable and are in the interests of the Company and its shareholders as a whole, and shall be determined by the Company taking into account of several factors including but not limited to the reputation attached to the brands operated by the Target Company, the customer base, potential profitability and consolidated asset value.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent from the Company and its connected persons. None of the Directors of the Company has any material interest in the Acquisition. Therefore, the Acquisition does not constitute a connected transaction under Chapter 14A of the Rules of Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Further, as the highest applicable percentage ratio in respect of the Acquisition on an aggregated basis is less than 5% pursuant to Rule 14.07 of the Listing Rules, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

By order of the Board  
**Palace Banquet Holdings Limited**  
**Hu Zhi Xiong**  
*Chairman*

Hong Kong, 16 August 2022

*As at the date of this announcement, the non-executive Director is Mr. Hu Zhi Xiong, the executive Directors are Mr. Tam Kar Wai, Mr. Chan Shou Ming and Mr. Cheng Man Cheong; and the independent non-executive Directors are Mr. Wong Tat Keung, Mr. Wong Wai Ming and Mr. Tang Tsz Tung.*

\* *For identification purpose only*