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ROYAL CATERING GROUP HOLDINGS COMPANY LIMITED
皇璽餐飲集團控股有限公司

(incorporated in Cayman Islands with limited liability)

(Stock Code: 8300)

POSITIVE PROFIT ALERT

This announcement is made by Royal Catering Group Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders ("**Shareholders**") of the Company and potential investors that based on preliminary review by the Group's management of the unaudited management accounts of the Group for the three-month ended 30 June 2017 (the "**Period**"), the Group is expected to record net profit attributable to the owners of the Company in the range of approximately HK$1.7 million for the Period, compared with the net losses attributable to the owners of the Company of approximately HK$12.7 million and approximately HK$14.8 million for the nine-month period ended 31 December 2016 and year ended 31 March 2017.

The net profit attributable to the owners of the Company for the Period was mainly attributable to a gain on bargain purchase arising from a subscription (the "**Subscription**") of 60% of the shares in Du Hsiao Yueh (Hong Kong) Company Limited ("**DHY(HK)**") on 13 June 2017, details of which have been disclosed in the announcement of the Company dated 2 June 2017. The gain on bargain purchase was mainly derived from the difference between (i) fair value of the acquired identifiable net assets and (ii) consideration paid by the Group for the Subscription and the amount of non-controlling interest in DHY(HK).

Although the gain on bargain purchase arising from the Subscription have a positive impact to the Group's result, the Board expects that the Group has suffered loss from operations in the Period owing to (i) the overall revenue for the Period is expected to drop, which was mainly attributable to the restaurants at Hong Kong International Airport; (ii) increase in staff costs and (iii) increase in property rentals and related expense for the Period.

As the Company is still in the process of finalizing the results of the Group for the Period, the information contained in this announcement is only a preliminary assessment by the Board with reference to the unaudited management accounts of the Group and is not based on any figures or information that have been audited or reviewed by the auditors of the Company. The actual results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the Period which is expected to be published before 11 August 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 8 August 2017

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 Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange 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.

This announcement will remain on the "Latest Listed Company Information" page of 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.