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婚宴專門店
Wedding Banquet Specialist

PALACE BANQUET HOLDINGS LIMITED

首灃控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1703)

DISCLOSEABLE TRANSACTION DELAY IN SIGNING OF FORMAL AGREEMENT FOR THE NEW LEASE

This announcement is made by Palace Banquet Holdings Limited (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) on a voluntary basis.

Reference is made to the announcement of the Company dated 24 January 2020 (the “**Announcement**”) in relation to the entering into of the New Lease by the Group for the new Shum Shui Po restaurant. Definitions and terms used in this announcement, unless the context required otherwise, shall bear the same meaning as defined in the Announcement.

DELAY IN ENTERING INTO FORMAL LEASE AGREEMENT

As disclosed in the Announcement, on 24 January 2020, Eternal Grand, an indirect wholly-owned subsidiary of the Company, entered into the New Lease with Dragon Centre Management, the Landlord for the leasing of the Premises for a term commencing from 1 May 2020 to 30 April 2026 at a monthly rent of HK\$760,000 for the first three years and HK\$832,000 for the subsequent three years (the “**Leasing**”). Pursuant to the New Lease, a holding deposit in the sum of HK\$760,000 was paid by Eternal Grand to the Landlord to be utilized as the first month’s rent or to be forfeited if the Tenant refuses or fails to sign the formal lease.

Since the Announcement, to contain the spread of COVID-19, the Government of Hong Kong has implemented various stringent measures including restrictions on number of diners per table, space between each table and capacity. Such measures bring uncertainties to the business environment for dining service providers including the Group.

In order to allow the Group additional time to consider and assess the commercial merits for the opening of the new Shum Shui Po restaurant under the current business environment, Eternal Grand has requested the Landlord to extend the date of signing of the formal agreement of the New Lease to 1 July 2020.

By order of the Board
Palace Banquet Holdings Limited
Chan Shou Ming
Chairman

Hong Kong, 29 April 2020

As at the date of this announcement, the executive Directors are Mr. Chan Shou Ming, Ms. Chen Xiao Ping and Ms. Qian Chunlin; and the independent non-executive Directors are Mr. Chan Koon Yuen Windaus, Mr. Ng Kwok Tung and Mr. Yue Ming Wai Bonaventure.