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翠華餐廳®

Tsui Wah Restaurant

Tsui Wah Holdings Limited

翠華控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1314)

INSIDE INFORMATION CONSTRUCTION AGREEMENT

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

The Board is pleased to announce that on 14 March 2014 (after trading hours), Shanghai He Fa Catering, entered into the Construction Agreement with the Contractor under which the Contractor has agreed to undertake the Construction Works at the Contract Price of RMB39,800,000 (equivalent to approximately HK\$50,546,000).

INTRODUCTION

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THE CONSTRUCTION AGREEMENT

The principal terms of the Construction Agreement are summarised as follows:

Date: 14 March 2014 (after trading hours)

Parties: (1) Shanghai He Fa Catering
(2) Contractor

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Contractor together with its ultimate beneficial owners, are independent of, and not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

Scope of Construction Works

The Construction Works will be carried out on the site located at No. 518, Shuhai Road, Songjiang District, Shanghai, the PRC* (中國上海松江區書海路518號).

Pursuant to the Construction Agreement, the scope of the Construction Works shall include, but not limited to the construction of infrastructure, piling works, foundation works, installation of electrical and mechanical works and structural works which support the installation of lifts.

Contract Price

Pursuant to the Construction Agreement, the Contract Price is an initial agreed amount for the Construction Works in the sum of RMB39,800,000 (equivalent to approximately HK\$50,546,000).

The Contract Price was determined after arm's length negotiations with the Contractor and is based on normal commercial terms with reference to the expertise, experience of the Contractor, along with the complexity and capacity of the Construction Works involved.

The Contract Price is subject to adjustment should there be (i) any changes to the technical requirements as requested by Shanghai He Fa Catering which cause any essential amendments to the design of Construction Works, (ii) any changes to the laws, administrative regulations and national policies that would have a significant impact on the Contract Price, (iii) any extension of construction period exceeding 12 months, or (iv) any other reasons which are mutually agreed by both parties.

The Contract Price shall be funded by the net proceeds received by the Group from the Listing.

Payment Terms

An initial payment of 30% of the Contract Price, taking into account the Earnest Money of RMB5,000,000 (equivalent to approximately HK\$6,350,000) paid pursuant to the Preliminary Agreement is payable by Shanghai He Fa Catering within 14 days after the Contractor has submitted (i) the insurance required under the Construction Agreement; and (ii) an official invoice for the approved amount to Shanghai He Fa Catering. The remainder of the Contract Price shall be paid by Shanghai He Fa Catering depending on the progress of the Construction Works and in phases in accordance with the terms of Construction Agreement.

To ensure the Contract Price is reasonable, the parties agree that, before 31 March 2014, Shanghai He Fa Catering shall seek a quotation (“**Independent Quotation**”) from an independent, qualified construction works consultant for the Construction Works. If the Independent Quotation is below the Contract Price for more than RMB1,000,000, the clause in relation to the Contract Price under the Construction Agreement will no longer bind either parties and both parties shall negotiate a new price for the Construction Works.

Duration of the Construction Works

According to the Construction Agreement, the Construction Works is expected to take around 184 days to complete. The expected date of completion is on or around 31 August 2014.

Termination of the Construction Agreement

The Construction Agreement may be terminated upon the occurrence of the following events: (i) both parties agree to terminate the Construction Agreement; (ii) Shanghai He Fa Catering refuses to settle the Contract Price pursuant to the payment terms under the Construction Agreement and as a result the Construction Works has to be suspended for more than 56 days; (iii) Contractor subcontracts part or whole of the Construction Works to any other party(ies); (iv) occurrence of force majeure events; or (v) either party breaches the Construction Agreement (including reasons caused by Shanghai He Fa Catering, which lead to the suspension or delay in the Construction Works) rendering performance of the Construction Agreement impossible.

INFORMATION ON THE GROUP

The Group is principally engaged in the operation of a chain of *Cha Chaan Teng* in Hong Kong, the PRC and Macau.

INFORMATION ON THE CONTRACTOR

The Contractor is principally engaged in the business of construction and property development in the PRC.

As at the date of this announcement, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Contractor together with its ultimate beneficial owners, are independent of, and not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

REASONS FOR AND BENEFITS OF THE CONSTRUCTION AGREEMENT

The Board considered that the Construction Works will allow the Group to build and establish a larger central kitchen in Shanghai, PRC for enhancing (i) the quality and standardization on food processing; (ii) operating efficiency; and (iii) supply chain management.

The Board is of the view that the terms of the Construction Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“ <i>Cha Chan Teng</i> ”	茶餐廳, Hong Kong-style restaurants that serve Asian and Western cuisine in a casual environment
“Company”	Tsui Wah Holdings Limited (stock code: 1314), a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the main board of the Stock Exchange
“Construction Agreement”	the construction agreement entered into between Shanghai He Fa Catering and the Contractor for the Construction Works on 14 March 2014
“Construction Works”	construction of a central kitchen on the Land pursuant to the terms of the Construction Agreement
“Contractor”	Shanghai Shanyan Construction Company Limited* (上海杉欣建築工程有限公司)
“Contract Price”	the consideration payable by Shanghai He Fa Catering under the Construction Agreement at an initial agreed amount of RMB39,800,000 (equivalent to approximately HK\$50,546,000)
“Director(s)”	the director(s) of the Company
“Earnest Money”	the earnest money of RMB5,000,000 paid pursuant to the Preliminary Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land”	the parcel of land with the land area of approximately 13,068.10 square meters, located at No. 518, Shuhai Road, Songjiang District, Shanghai, the PRC* (中國上海松江區書海路518號)

“Listing”	the listing of shares of the Company on the main board of the Stock Exchange on 26 November 2012
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“PRC”	the People’s Republic of China but for the purpose of this announcement shall exclude Hong Kong, Macau and Taiwan
“Preliminary Agreement”	the preliminary agreement made between Shanghai He Fa Catering and the Contractor regarding the Construction Works dated 9 January 2014
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai He Fa Catering”	Shanghai He Fa Catering Company Limited* (上海合發餐飲有限公司), a company established in the PRC with limited liability on 27 November 2013 and an indirectly wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For illustrative purpose only, amount denominated in RMB have been translated into HK\$ at the rate of RMB1.00 = HK\$1.27 in this announcement. No representation is made that any amount in RMB or HK\$ has been, could have been or could be converted at the above rate or any other.

By Order of the Board
Tsui Wah Holdings Limited
LEE Yuen Hong
Chairman and executive Director

Hong Kong, 14 March 2014

As at the date of this announcement, our executive Directors are Mr. Lee Yuen Hong, Mr. Ho Ting Chi, Mr. Cheung Yu To, Mr. Cheung Wai Keung and Mr. Cheung Yue Pui and our independent non-executive Directors are Mr. Goh Choo Hwee, Mr. Wong Chi Kin and Mr. Yim Kwok Man.

“*” is for identification purpose only.