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翠華集團®
TSUI WAH GROUP

Tsui Wah Holdings Limited

翠華控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1314)

PROFIT WARNING

Based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the Period and the information currently available to the Board, taking into account the non-cash items such as a one-off write-off and/or impairment losses are expected to record on certain assets in a sum ranging from approximately HK\$20 million to HK\$30 million and depreciation and amortization of assets in the sum of approximately HK\$100 million, it is expected that the Group would record a loss in a sum ranging from approximately HK\$160 million to HK\$180 million for the Year, whereas profit after tax amounting to approximately HK\$4,709,000 was recorded for the Year 2019. The information contained in this announcement has not been reviewed or audited by the Independent Auditors or reviewed by the Audit Committee. Shareholders and potential investors are advised to read carefully the annual results announcement of the Group for the Year, which is expected to be published at or before the end of June 2020.

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

This announcement is made by Tsui Wah Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange (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 of the Laws of Hong Kong).

The board of directors of the Company (the “**Directors**“ and the “**Board**“, respectively) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the 11 months ended 29 February 2020 (the “**Period**”) and the information currently available to the Board, it is expected that the Group would record a loss in a sum ranging from approximately HK\$160 million to HK\$180 million for the year ended 31 March 2020 (the “**Year**”), whereas profit after tax amounting to approximately

HK\$4,709,000 was recorded for the year ended 31 March 2019 (the “**Year 2019**”). To the best knowledge of the Directors, the loss was mainly attributable to (i) non-cash items such as a one-off write-off and/or impairment losses are expected to record on certain assets in a sum ranging from approximately HK\$20 million to HK\$30 million; (ii) depreciation and amortization of assets in the sum of approximately HK\$100 million; (iii) the decrease in revenue in the Year resulting from a sharp decline in visitors and local diners starting from mid-June 2019 and, in particular, since the outbreak of the novel coronavirus (COVID-19) pandemic; and (iv) the continuous rise in operating costs such as the costs of food ingredients. Despite the aforesaid, the Board does not expect to have a significant adverse impact on the Group’s overall operations and cash flows. The expected cash balances of the Group would amount to approximately HK\$200 million to HK\$210 million as at 31 March 2020. As at the date of this announcement, the Group has sufficient cash on hand to meet its current business needs.

The information contained in this announcement is prepared only based on (i) the Board’s preliminary assessment of the consolidated management accounts of the Group for the Period, which have neither been audited or reviewed by the independent auditors of the Company (the “**Independent Auditors**”) nor reviewed by the audit committee of the Board (the “**Audit Committee**”); and (ii) the information currently available to the Board, which is subject to change and finalisation. Shareholders and potential investors are advised to read carefully the Company’s announcement regarding the Group’s results for the Year, which is expected to be published at or before the end of June 2020.

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

For and on behalf of
Tsui Wah Holdings Limited
Kwok Siu Man
Company Secretary

Hong Kong, 29 April 2020

As at the date of this announcement, the Board comprises the following members: (a) Mr. LEE Yuen Hong (Chairman), Mr. LEE Kun Lun Kenji (formerly known as Lee Tsz Kin Kenji) (Group Chief Executive Officer) and Ms. LEE Yi Fang (formerly known as LEE Sin Ying) as Executive Directors; (b) Mr. CHENG Chung Fan, Mr. WONG Chi Kin and Mr. YANG Dong John as Non-executive Directors; and (c) Mr. GOH Choo Hwee, Mr. TANG Man Tsz and Mr. YIM Kwok Man as Independent Non-executive Directors.