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Tsui Wah Holdings Limited

翠華控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1314)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

Reference is made to the announcement of the Company dated 25 October 2013.

The Board is pleased to announce that on 30 December 2013, Shanghai Cai Hua entered into the Formal Sale and Purchase Agreements with the Vendor in relation to the Acquisition at the aggregate consideration of RMB62,686,540 (equivalent to approximately HK\$79,611,905.80).

As the Property is collectively owned by the Vendor, the Acquisition should be aggregated pursuant to Rule 14.23 of the Listing Rules. As one of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the completion of the Formal Sale and Purchase Agreements are subject to the fulfillment of the conditions precedent as stipulated therein, the transactions contemplated thereunder may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

Reference is made to the announcement of the Company dated 25 October 2013 in relation to the Deposit Payment Agreement entered into between Shanghai Cai Hua as a purchaser and the Vendor as a vendor regarding the proposed acquisition of the Property.

INTRODUCTION

The Board is pleased to announce that on 30 December 2013, Shanghai Cai Hua entered into the Formal Sale and Purchase Agreements with the Vendor in relation to the Acquisition at the aggregate consideration of RMB62,686,540 (the “**Total Consideration**”) (equivalent to approximately HK\$79,611,905.80).

As the Property consists of Premise No. 1, Premise No. 2, Premise No. 3, Premise No. 4, Premise No. 5 and Premise No. 6, each registered under a separate Shanghai Certificate of Real Estate Ownership, separate formal sale and purchase agreement has to be executed for the Acquisition.

THE ACQUISITION

The principal terms of the SPA I are summarised as follows:

Date	: 30 December 2013
Parties	: (1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	: Premise No. 1
Usage	: office premise
Term of land-use right	: a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA I is RMB11,878,520 (equivalent to approximately HK\$15,085,720.40), of which the first installment of RMB5,939,260 (equivalent to approximately HK\$7,542,860.20) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA I and the completion of the transfer of ownership registration application. Part of the Deposit, RMB947,454, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first installment. Whilst the remaining consideration of RMB5,939,260 (equivalent to approximately HK\$7,542,860.20) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 1 is completed with the relevant government authority which should take place before 10 March 2014.

The principal terms of the SPA II are summarised as follows:

Date	: 30 December 2013
Parties	: (1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	: Premise No. 2
Usage	: office premise
Term of land-use right	: a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA II is RMB8,361,130 (equivalent to approximately HK\$10,618,635.10), of which the first installment of RMB4,180,565 (equivalent to approximately HK\$5,309,317.55) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA II and the completion of the transfer of ownership registration application. Part of the Deposit, RMB666,900, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first installment. Whilst the remaining consideration of RMB4,180,565 (equivalent to approximately HK\$5,309,317.55) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 2 is completed with the relevant government authority which should take place before 10 March 2014.

The principal terms of the SPA III are summarised as follows:

Date	: 30 December 2013
Parties	: (1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	: Premise No. 3
Usage	: office premise
Term of land-use right	: a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA III is RMB11,344,290 (equivalent to approximately HK\$14,407,248.30), of which the first installment of RMB5,672,145 (equivalent to approximately HK\$7,203,624.15) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA III and the completion of the transfer of ownership registration application. Part of the Deposit, RMB904,843, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first installment. Whilst the remaining consideration of RMB5,672,145 (equivalent to approximately HK\$7,203,624.15) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 3 is completed with the relevant government authority which should take place before 10 March 2014.

The principal terms of the SPA IV are summarised as follows:

Date	:	30 December 2013
Parties	:	(1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	:	Premise No. 4
Usage	:	office premise
Term of land-use right	:	a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA IV is RMB11,398,820 (equivalent to approximately HK\$14,476,501.40), of which the first installment of RMB5,699,410 (equivalent to approximately HK\$7,238,250.70) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA IV and the completion of the transfer of ownership registration application. Part of the Deposit, RMB909,192, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first installment. Whilst the remaining consideration of RMB5,699,410 (equivalent to approximately HK\$7,238,250.70) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 4 is completed with the relevant government authority which should take place before 10 March 2014.

The principal terms of the SPA V are summarised as follows:

Date	:	30 December 2013
Parties	:	(1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	:	Premise No. 5
Usage	:	office premise
Term of land-use right	:	a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA V is RMB11,341,010 (equivalent to approximately HK\$14,403,082.70), of which the first installment of RMB5,670,505 (equivalent to approximately HK\$7,201,541.35) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA V and the completion of the transfer of ownership registration application. Part of the Deposit, RMB904,581, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first

installment. Whilst the remaining consideration of RMB5,670,505 (equivalent to approximately HK\$7,201,541.35) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 5 is completed with the relevant government authority which should take place before 10 March 2014.

The principal terms of the SPA VI are summarised as follows:

Date	: 30 December 2013
Parties	: (1) the Vendor (2) Shanghai Cai Hua (as purchaser)
Asset to be acquired	: Premise No. 6
Usage	: office premise
Term of land-use right	: a term of 50 years, commencing from 22 July 2002, pursuant to the Shanghai Certificate of Real Estate Ownership

Consideration and payment schedule:

The consideration for SPA VI is RMB8,362,770 (equivalent to approximately HK\$10,620,717.90), of which the first installment of RMB4,181,385 (equivalent to approximately HK\$5,310,358.95) shall be payable in cash by Shanghai Cai Hua within 5 Business Days following the execution of SPA VI and the completion of the transfer of ownership registration application. Part of the Deposit, RMB667,030, paid by Shanghai Cai Hua under the Deposit Payment Agreement shall be applied as part payment of the first installment. Whilst the remaining consideration of RMB4,181,385 (equivalent to approximately HK\$5,310,358.95) shall be payable by Shanghai Cai Hua to the Vendor on the day the registration of transfer of ownership of Premise No. 6 is completed with the relevant government authority which should take place before 10 March 2014.

The Total Consideration

The Total Consideration was arrived at after arm's length negotiations between the parties to the Formal Sale and Purchase Agreements after taking into account the market price of similar properties of similar size, character and location. The Group intends not to use the net proceeds received from the listing of Shares on the main board of the Stock Exchange (the "**Listing**") for the Acquisition. As disclosed in the 2013 Annual Report, the cash generated from the Group's operation for the year ended 31 March 2013 was approximately HK\$214 million (the "**Operating Cash**") and net profit for the same period was approximately HK\$131 million. The Group intends to use part of the Operating Cash to pay for the consideration of the Acquisition. As such, the Acquisition does not constitute a change in the intended use of the proceeds from the Listing.

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 VENDOR

The Vendor is principally engaged in property investment and hotel operation 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 Vendor 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 ACQUISITION

The Board believes that the Acquisition is in line with the Group's long-term development plan in the East China region and the need of establishing an office to manage the business operations in the PRC. The acquisition of an office in Shanghai will allow the Group to effectively control the office rental costs, avoid frequent relocation and further enhance the Group's position in the East China region.

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

GENERAL

As the Property is collectively owned by the Vendor, the Acquisition should be aggregated pursuant to Rule 14.23 of the Listing Rules. As one of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the completion of the Formal Sale and Purchase Agreements are subject to the fulfillment of the conditions precedent as stipulated therein, the transactions contemplated thereunder may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

DEFINITIONS

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

“2013 Annual Report”	the annual report of the Company for the year ended 31 March 2013
“Acquisition”	the acquisition of the Property by Shanghai Cai Hua pursuant to the Formal Sale and Purchase Agreements each dated 30 December 2013
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors

“Business Day”	a day (other than a Saturday, Sunday or public holiday in the PRC) on which banks in the PRC are generally open for normal business
“ <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
“Deposit”	an aggregate of RMB5,000,000 paid by Shanghai Cai Hua to the Vendor, which would be applied as part payment, pursuant to the Deposit Payment Agreement
“Deposit Payment Agreement”	the agreement in Chinese made between Shanghai Cai Hua as a purchaser and the Vendor as a vendor on 25 October 2013 (after trading hours) regarding the payment of Deposit for the proposed acquisition by Shanghai Cai Hua of the Property
“Director(s)”	the director(s) of the Company
“Formal Sale and Purchase Agreements”	SPA I, SPA II, SPA III, SPA IV, SPA V, and SPA VI
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Premise No. 1”	Unit 2801 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 289.72 square metres
“Premise No. 2”	Unit 2802 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 203.93 square metres

“Premise No. 3”	Unit 2803 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 276.69 square metres
“Premise No. 4”	Unit 2805 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 278.02 square metres
“Premise No. 5”	Unit 2806 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 276.61 square metres
“Premise No. 6”	Unit 2807 on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC, with a gross floor area of approximately 203.97 square metres
“Property”	the office premises, comprising Premise No. 1, Premise No. 2, Premise No. 3, Premise No. 4, Premise No. 5 and Premise No. 6, situated on the 28th floor of SRE Finance Center, No. 15 Da Pu Road, Huangpu District, Shanghai, the PRC with a total gross floor area of approximately 1,528.94 square metres
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Cai Hua”	Shanghai Cai Hua Restaurants Management Company Limited* (上海采華餐飲管理有限公司), a company established in the PRC on 27 April 2009 and an indirect wholly-owned subsidiary of the Company
“Shanghai Certificate of Real Estate Ownership”	Shanghai Certificate of Real Estate Ownership (上海市房地產權證)
“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)
“SPA I”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 1
“SPA II”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 2
“SPA III”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 3

“SPA IV”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 4
“SPA V”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 5
“SPA VI”	the formal sale and purchase agreement entered into between Shanghai Cai Hua and the Vendor on 30 December 2013 for the acquisition of Premise No. 6
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	上海斯格威大酒店有限公司, a company established in the PRC, which is the legal and beneficial owner of the Property, an Independent Third Party
“%”	per cent.

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, 30 December 2013

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.