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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)**

**VOLUNTARY ANNOUNCEMENT  
FORMATION OF JOINT VENTURE COMPANY IN SINGAPORE  
AND  
ENTERING INTO OF FRANCHISE AGREEMENT  
WITH JOINT VENTURE COMPANY**

This announcement is made by Tsui Wah Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform its shareholders and potential investors of the latest development of the Group.

The board of directors of the Company (the “**Directors**” and the “**Board**”, respectively) is pleased to announce that on 9 March 2018 (after trading hours), in order to expand the Group’s “Tsui Wah/翠華” brand in Singapore through a joint venture, Kang Wang Holdings Limited (a wholly-owned subsidiary of the Company) (“**Kang Wang**”), Jumbo F&B Services Pte. Ltd. (an indirect wholly-owned subsidiary of Jumbo Group Limited, the shares of which are listed on the Catalist Board of the Singapore Exchange Securities Trading Limited) (“**Jumbo**”) and Vista F&B Services Pte. Ltd. (a wholly-owned subsidiary of Jumbo immediately before the execution of the JV Agreement (as defined below)) (the “**JV Company**”) entered into a joint venture agreement (the “**JV Agreement**”) for the purpose of regulating the business and operations of the JV Company.

Pursuant to the JV Agreement, the planned business of the JV Company is to open and operate Hong Kong styled Cha Chaan Teng (港式茶餐廳) with the “Tsui Wah/翠華” brand in the Republic of Singapore (“**Singapore**”). On the same date of the signing of the JV Agreement, Tsui Wah International Patent Limited (a wholly-owned subsidiary of the Company) (as the franchisor) and the JV Company (as the franchisee) entered into a franchise agreement (the “**Franchise Agreement**”), pursuant to which (a) the JV Company is granted certain rights to set up and operate Hong Kong styled Cha Chaan Teng (港式茶餐廳) restaurant outlet(s) in Singapore under the Tsui Wah/翠華 brand of the Group and (b) the Franchise Agreement shall become effective upon completion of (1) the subscription of shares of the JV Company and (2) the contribution of the interest free loans to the JV Company by each of Kang Wang and Jumbo in accordance with the terms of the JV Agreement.

Immediately after the execution of the JV Agreement, each of Kang Wang and Jumbo shall (i) subscribe for further shares of the JV Company in cash, such that the JV Company will be owned as to 51% by Kang Wang and as to 49% by Jumbo, in the proportion of 255,000 and 245,000 shares of the JV Company, respectively, in the amount of S\$255,000 and S\$245,000, respectively; and (ii) make initial interest free loans to the JV Company in the amount of S\$1,275,000 and S\$1,225,000, respectively. The Group's investment in the JV Company pursuant to the JV Agreement will be funded by its internal resources.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, immediately before the execution of the JV Agreement, Jumbo and its parent company are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")).

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Board is of the view that the joint venture with Jumbo pursuant to the JV Agreement will provide an opportunity to the Group to extend its geographical coverage to Singapore, and mark the entry of the Group's "Tsui Wah (翠華)" brand into the Southeast Asian food and beverage market.

The Directors consider that the transactions contemplated under the JV Agreement and the Franchise Agreement are on normal commercial terms after arm's length negotiations between the parties, and the terms of the JV Agreement and the Franchise Agreement as well as the transactions contemplated therein are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE PARTIES**

The Group is principally engaged in the operation of a chain of Hong Kong styled Cha Chaan Teng (港式茶餐廳) under the "Tsui Wah (翠華)" brand, with 35 restaurants in the People's Republic of China (the "**PRC**"), 31 restaurants and one bakery shop in the Hong Kong Special Administration Region of the PRC ("**Hong Kong**") and three restaurants in the Macau Special Administration Region of the PRC as at 28 February 2018.

Jumbo is an investment holding company which is wholly owned by Jumbo Group Limited, the shares of which are listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. Jumbo Group Limited together with its member companies are principally engaged in the operation of multi-dining concept food and beverage establishments under five restaurant brands in Singapore and the PRC. Immediately before the execution of the JV Agreement, the JV Company has not commenced any business.

## **LISTING RULES IMPLICATIONS**

Pursuant to the Listing Rules, the formation of the joint venture company under the JV Agreement is exempt from the requirements under Chapter 14 of the Listing Rules as all applicable percentage ratios as set out in rule 14.07 to be applied for determining the classification of the transaction under the Listing Rules are below 5% and this announcement is made by the Company on a voluntary basis for the information of the shareholders and potential investors of the Company.

In the event that the Group makes further investment in the JV Company, the Directors will ensure compliance with the Listing Rules, including Chapter 14 of the Listing Rules.

By order of the Board  
**Tsui Wah Holdings Limited**  
**Kwok Siu Man**  
*Company Secretary*

Hong Kong, 9 March 2018

*As at the date of this announcement, the Board comprises the following members: (a) as executive Directors, Mr. LEE Yuen Hong and Mr. LEE Tsz Kin Kenji; (b) as non-executive Directors, Mr. CHENG Chung Fan, Mr. CHENG Yu Sang and Mr. WONG Chi Kin; and (c) as independent non-executive Directors, Mr. GOH Choo Hwee, Mr. TANG Man Tsz and Mr. YIM Kwok Man.*