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唐宮(中國)控股有限公司

TANG PALACE (CHINA) HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1181)

**VOLUNTARY ANNOUNCEMENT
IMPACT OF THE NOVEL CORONAVIRUS EPIDEMIC ON BUSINESS OPERATIONS
AND RELEVANT CONTINGENT MEASURES**

This announcement is made by Tang Palace (China) Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis in relation to the situation of mass proliferation of the novel coronavirus pneumonia (2019-nCov) epidemic in the People’s Republic of China (the “**PRC**”) and other countries (the “**Epidemic**”). The Company has been paying close attention to the Epidemic and its impacts on the Group’s customers, staff and business, and kept assessing the pressure on the Group’s business operation and financial performance and adopted any necessary contingent measures.

As the current Epidemic continues, its pressure on the economy and people's livelihood has gradually emerged. Being part of the society, the Group is dedicated to cope with the difficulties together with various stakeholders. After comprehensive assessment, the three founders of the Group, who are also the executive directors and controlling shareholders of the Company (the “**Controlling Shareholders**”) took the initiative to voluntarily waive their remuneration for February 2020, and the other senior management members also agreed to a 50% reduction of their respectively remuneration for February 2020, as one of the temporary cost control measures of the Group.

Besides, the Controlling Shareholders have also decided to waive the rental for February 2020 in respect of all those properties they leased to the Group as restaurants and ancillary office, and further arrangement will depend on the situation of the Epidemic.

The Company has formed a Crisis Management Unit for the Group (the “**Crisis Management Unit**”) since the early stage of the Epidemic which is led by the Chief Executive Officer of the Group and comprises various department heads of the operation, food production, human resources, procurement and finance departments. It is responsible for coordinating and communicating the comprehensive strategic direction, practical contingent measures and emergency plan in response to the Epidemic and supervising their executions. Each operating district also execute the relevant precautions in timely manner under the supervision of the Crisis Management Unit and report the districts’ updated situations, so as to mitigate and control the risk of the Epidemic against the Group’s customers and staff, and safeguard the safety and health of the general public.

Through the Crisis Management Unit, the Group will continue to monitor the market situation, update of the Epidemic and related government policies, and implement other corresponding measures in accordance with the socio-economic environment to effectively manage the risks and uncertainties in connection with the Epidemic, and will make further announcement(s) as and when appropriate.

On behalf of the Board
Tang Palace (China) Holdings Limited
YIP Shu Ming
Chairman

Hong Kong, 28 February 2020

As at the date of this announcement, the Board comprises the following directors:

Executive directors: *Mr. YIP Shu Ming, Mr. CHAN Man Wai,*
Mr. KU Hok Chiu, Ms. WENG Peihe

Independent non-executive directors: *Mr. KWONG Chi Keung, Mr. KWONG Ping Man,*
Mr. CHEUNG Kin Ting Alfred