TAI HING GROUP HOLDINGS LIMITED
太興集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6811)

PROFIT WARNING
SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the profit warning announcement of Tai Hing Group Holdings Limited (the "Company") dated 24 January 2020 (the "Announcement"). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board wishes to further inform the Shareholders and potential investors that based on its preliminary review on the unaudited consolidated management accounts of the Group for the Year and information currently available, it is expected to record a significant decrease by approximately 70% to 80% in the profit attributable to the Shareholders for the Year as compared with that reported for the year ended 31 December 2018. It was mainly due to the following items: (1) the effects of the application of Hong Kong Financial Reporting Standard 16 "Leases" (effectively from 1 January 2019) ("HKFRS 16") on the expenditures spent on the leases of the restaurants and other premises; (2) the one-off listing expenses recognized for the Year; (3) the absence of the one-off gain on disposal of non-current assets classified as held for sale recognized for last year, as disclosed in the Company's prospectus dated 30 May 2019; and (4) unattained growth in the Group's profit amidst the much weakened market sentiment during the second half of the Year.

In view of the recent outbreak of the novel coronavirus, the Company has implemented a 20% voluntary reduction in the salary of all executive directors and senior management for a period of 3 months with effect from 1 February 2020 to further control cost. In the meantime, the Group will continue to strengthen cost control measures, including but not limited to, negotiating with landlords for rental reduction, seeking for most favorable terms with the suppliers and strengthening of food delivery and take away services. The Group has established a "Committee on Emergency Management" in order to closely monitor the market condition and adjust its response strategies in a timely manner.

The information contained in this announcement is only based on the preliminary review on the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available, which have not been confirmed or reviewed by the Company's auditor. The Company is in the process of finalizing the annual results for the year ended 31 December 2019 and Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2019, which is expected to be released before the end of March 2020.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
Tai Hing Group Holdings Limited
Chan Wing On
Chairman

Hong Kong, 14 February 2020

As at the date of this announcement, the Board comprises: –

Executive Directors
Mr. Chan Wing On (Chairman), Mr. Yuen Chi Ming, Mr. Lau Hon Kee and Ms. Chan Shuk Fong

Non-Executive Director
Mr. Ho Ping Kee

Independent Non-Executive Directors
Mr. Mak Ping Leung (alias: Mak Wah Cheung), Mr. Wong Shiu Hoi Peter and Dr. Sat Chui Wan