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)

POSITIVE PROFIT ALERT

This announcement is made by Tai Hing Group Holdings Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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 "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on its preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 ("**FY2020**"; or the "**Year**") and currently available information, the Group is expected to record an increase of approximately 40% to 55% in profit attributable to Shareholders for the Year compared to that for the year ended 31 December 2019 ("**FY2019**").

During FY2020, the Group's business in all key geographical areas was adversely affected by the outbreak of the novel coronavirus disease ("**COVID-19**"). Various mandatory social distancing measures, such as seating restrictions, reduced operating hours and other constraints to contain the virus has significantly affected the Group's operations, hence the Group recorded decline in revenue during the Year. The Group's profit attributable to Shareholders for the Year, however, would be higher than FY2019, mainly due to the following reasons: 1) During the Year, the Group strived to implement various proactive measures to control costs and maintain its business stability, such measures included but were not limited to, negotiating with landlords and suppliers for the most favorable terms in relation to contracts and stringently controlling staff costs; 2) the Group continued to expand its restaurant network during FY2020 by opening new stores with growth potential leveraging its well-established multi-brand strategy in order to secure additional income source. Consequently, the positive operating results of the new stores helps lessening the decrease in the Group's revenue; 3) the Group has received certain government grants and subsidies from both Hong Kong and Mainland China governments in FY2020, in which all subsidies under the Employment

Support Scheme of the Hong Kong Government were included and directly used for paying the salaries and wages of employees; and 4) the relatively low amount of the profit attributable to the Shareholders in FY2019 due to various reasons including but not limited to the one-off listing expenses recognized for FY2019.

The Company is still in the process of preparing and finalizing the Group's annual results for the Year. All information contained in this announcement are only based on a preliminary review of the information currently available and the unaudited consolidated management accounts of the Group for the Year, which have not been reviewed or audited by the Company's auditors, and are therefore subject to adjustments. Shareholders and potential investors are advised to read carefully the Company's annual results announcement for the Year, which is expected to be published by the end of March 2021.

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, 26 February 2021

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