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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

This announcement is made by Tai Hing Group Holdings Limited (the "**Company**", together with its subsidiaries, 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 shareholders of the Company (the "**Shareholders**") and potential investors that based on the assessment of the latest information currently available to the Board and its preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 (the "**Year**"), the Group is expected to record a profit attributable to the owners of the Company in the range of approximately HK$60,000,000 to HK$65,000,000 for the Year, as compared to the profit attributable to the owners of the Company of approximately HK$93,836,000 for the year ended 31 December 2023 ("**FY2023**").

Based on the information currently available, the Board is of the view that the expected decline in the profit attributable to the owners of the Company for the Year was mainly due to the following:

(1) profit attributable to the owners of the Company for the Year was affected by the sustained enthusiasm of Hong Kong residents for northbound consumption and consumption downgrade across both Hong Kong and Chinese Mainland owing to the depressed catering industry of Chinese Mainland against the weakening business environment during the Year, although the Group has adjusted its pricing strategy for certain brands to introduce value-for-money brands and dishes accordingly and operating costs were also ratcheted down in the second half of the Year under stringent control measures by the Group;

(2) furthermore, the Group's impairment provisions for restaurant assets (which is a non-cash item) and closure-related expenses in aggregate increased during the Year as compared to FY2023, as the Group closed some less efficient stores, consolidated strategic store network across cities in the Chinese Mainland and optimised resource allocation to strengthen business resilience for the Year.

Despite the challenging external environment, the Group will continue to closely monitor the market conditions, and adopt a cautious capital management policy to ensure healthy cash flows and a sound cash position. Meanwhile, the Group has made timely adjustments to its operating strategies based on the market situation, negotiated with landlords and suppliers for the most favourable contractual terms, exercised reasonable control on food costs and optimised its organisational structure. Also, to further enhance its core competitiveness, the Group will continue with the multi-brand business model and launch diverse promotional campaigns for wider customer base. In addition, the Group will strengthen its training on employees for higher service standard and make good use of technology and smart kitchen equipment to alleviate staff workload. As various cost control measures kicked in during the second half of the Year, profit attributable to the owners of the Company for the second half of the Year has increased in comparison with that of the first half of the Year and the second half of FY2023.

The Company is still in the process of preparing and finalising 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 audited or reviewed by the Company's auditors nor reviewed by the audit committee of the Company, and are 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 2025.

Shareholders and potential investors are reminded not to place undue reliance on such information and to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 7 March 2025

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

Executive Directors
Mr. Chan Wing On (Chairman), Mr. Yuen Chi Ming 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