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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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board of directors (the “Board”) of Tai Hing Group Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024 as set out below:

FINANCIAL HIGHLIGHTS

- During the Review Year, the Group has leveraged stable and high quality food and precise brand promotion strategies to drive same-store sales growth for its core brands, which in turn drove the increase in the Group’s revenue by 7.5% to approximately HK\$3.54 billion (FY2024: HK\$3.29 billion).
- Through ongoing streamlining process and cost control of the Group, the operating profit margins of the core brands recorded an increase during the Review Year, driving profitability performance in Hong Kong and Macau. In addition, the Group’s integration strategy in Chinese Mainland began to show results during the Review Year, driving profit attributable to owners of the Company for the Review Year increased by 72.3% compared to FY2024 to approximately HK\$108 million (FY2024: HK\$62.75 million).
- Since the current global political and economic landscape is highly complex, the Group will continue to adhere to prudent financial management principles to ensure stable operating cash flow (As at year-end, cash and cash equivalents of the Group amounted to HK\$380 million, with no bank borrowings). On the other hand, the Board remains confident in the future development of the Group. To reward shareholders and maintain a stable dividend policy of the Group, it proposed a final dividend of HK5.00 cents per share, together with the interim dividend of HK3.50 cents per share already paid, the proposed total dividend will amount to HK8.50 cents per share.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*Year ended 31 December 2025*

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
REVENUE	5	3,538,495	3,291,954
Cost of materials consumed		<u>(935,939)</u>	<u>(858,423)</u>
Gross profit		2,602,556	2,433,531
Other income and gains	5	11,515	17,087
Staff costs		(1,263,001)	(1,188,782)
Depreciation of items of property, plant and equipment		(125,615)	(133,959)
Amortisation of right-of-use assets, rental and related expenses, net		(525,427)	(504,184)
Other operating expenses		(473,830)	(460,638)
Impairment losses on property, plant and equipment and right-of-use assets, net		(45,894)	(47,438)
Finance costs	6	<u>(40,370)</u>	<u>(37,434)</u>
PROFIT BEFORE TAX	7	139,934	78,183
Income tax expense	8	<u>(31,833)</u>	<u>(15,492)</u>
PROFIT FOR THE YEAR		<u>108,101</u>	<u>62,691</u>
Profit for the year attributable to:			
Owners of the Company		108,101	62,749
Non-controlling interests		<u>–</u>	<u>(58)</u>
		<u>108,101</u>	<u>62,691</u>
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
– Basic and diluted	10	<u>HK11.12 cents</u>	<u>HK6.24 cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*Year ended 31 December 2025*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
PROFIT FOR THE YEAR	108,101	62,691
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	10,384	(12,534)
Reclassification adjustments for foreign operations deregistered or disposed of during the year	(137)	2,319
Other comprehensive income/(loss) for the year	10,247	(10,215)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	118,348	52,476
Attributable to:		
Owners of the Company	118,348	52,580
Non-controlling interests	–	(104)
	118,348	52,476

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment and right-of-use assets		1,619,339	1,730,316
Investment properties		24,694	24,051
Intangible assets		200	200
Prepayments, deposits and other receivables		136,219	145,695
Deferred tax assets		47,666	38,819
		<hr/>	<hr/>
Total non-current assets		1,828,118	1,939,081
CURRENT ASSETS			
Inventories		90,243	79,859
Trade receivables	<i>11</i>	26,743	28,203
Prepayments, deposits and other receivables		106,677	93,010
Tax recoverable		502	234
Cash and cash equivalents		380,442	330,758
		<hr/>	<hr/>
Total current assets		604,607	532,064
CURRENT LIABILITIES			
Trade payables	<i>12</i>	91,955	85,269
Other payables and accruals		242,988	233,588
Contract liabilities		81,648	61,290
Lease liabilities		364,143	367,587
Tax payable		24,160	8,818
		<hr/>	<hr/>
Total current liabilities		804,894	756,552
NET CURRENT LIABILITIES		(200,287)	(224,488)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,627,831	1,714,593
		<hr/>	<hr/>

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
NON-CURRENT LIABILITIES			
Lease liabilities		683,648	736,221
Other payables and accruals		39,157	38,674
Deferred tax liabilities		7,321	4,079
		<hr/>	<hr/>
Total non-current liabilities		730,126	778,974
		<hr/>	<hr/>
Net assets		897,705	935,619
		<hr/>	<hr/>
EQUITY			
Equity attributable to owners of the Company			
Issued capital	<i>13</i>	9,714	10,054
Reserves		887,991	925,565
		<hr/>	<hr/>
Total equity		897,705	935,619
		<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 11 December 2017. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at 13/F, Chinachem Exchange Square, 1 Hoi Wan Street, Quarry Bay, Hong Kong.

The Company is an investment holding company. During the year, the Group was engaged in the operation of restaurants and sale of food products.

In the opinion of the directors of the Company (the “Directors”), Chun Fat Company Limited, a company incorporated in the British Virgin Islands (the “BVI”) on 30 November 2017, is the immediate and ultimate holding company of the Company.

On 13 June 2019, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

2. ACCOUNTING POLICIES

2.1 BASIS OF PRESENTATION

As at 31 December 2025, the Group had net current liabilities of HK\$200,287,000 which included current portion of lease liabilities of HK\$364,143,000 and contract liabilities of HK\$81,648,000. The Directors believe that the Group has sufficient cash flows from operations to meet its liabilities as and when they fall due. Therefore, the consolidated financial statements are prepared on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect to these adjustments has not been reflected in the consolidated financial statements.

2.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025.

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on geographical areas and has two reportable operating segments as follows:

- (i) the Hong Kong and Macau segment is engaged in the operation of restaurants, and sale of food products in Hong Kong and Macau; and
- (ii) the Chinese Mainland segment is engaged in the operation of restaurants, and sale of food products in Chinese Mainland.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is measured consistently with the Group's profit/loss before tax.

Segment assets exclude deferred tax assets, tax recoverable, intangible assets and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

Geographical information

For the years ended 31 December 2025 and 2024

	Hong Kong and Macau		Chinese Mainland		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Segment revenue						
Sales to external customers*	3,276,300	2,954,684	262,195	337,270	3,538,495	3,291,954
Intersegment sales	<u>–</u>	<u>–</u>	<u>146,607</u>	<u>111,558</u>	<u>146,607</u>	<u>111,558</u>
Total segment revenue	3,276,300	2,954,684	408,802	448,828	3,685,102	3,403,512
<i>Reconciliation:</i>						
Elimination of intersegment sales					<u>(146,607)</u>	<u>(111,558)</u>
					3,538,495	3,291,954
Segment results	153,161	127,207	(12,056)	(48,056)	141,105	79,151
<i>Reconciliation:</i>						
Elimination of intersegment results					<u>(1,171)</u>	<u>(968)</u>
Profit before tax					139,934	78,183

As at 31 December 2025 and 2024

	Hong Kong and Macau		Chinese Mainland		Total	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Segment assets	1,741,263	1,812,288	262,652	288,846	2,003,915	2,101,134
<i>Reconciliation:</i>						
Corporate and other unallocated assets					428,810	370,011
Total assets					2,432,725	2,471,145
Segment liabilities	1,382,766	1,374,116	120,773	148,513	1,503,539	1,522,629
<i>Reconciliation:</i>						
Corporate and other unallocated liabilities					31,481	12,897
Total liabilities					1,535,020	1,535,526

* The revenue information above is based on the locations of the customers.

Information about major customers

There was no revenue from customers individually contributing over 10% to the total revenue of the Group.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from contracts with customers		
(i) Disaggregated revenue information		
Types of goods or services		
Revenue from restaurant operations	3,468,299	3,223,840
Revenue from the sale of food products	70,196	68,114
Total	<u>3,538,495</u>	<u>3,291,954</u>
Geographical markets		
Hong Kong and Macau	3,276,300	2,954,684
Chinese Mainland	262,195	337,270
Total	<u>3,538,495</u>	<u>3,291,954</u>
Timing of revenue recognition		
At a point in time	<u>3,538,495</u>	<u>3,291,954</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	Year ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue recognised that was included in the contract liabilities at the beginning of the year		
– Restaurant operations	<u>55,659</u>	<u>49,813</u>

(ii) **Performance obligations**

Information about the Group's performance obligations is summarised below:

Restaurant operations

The performance obligation is satisfied when the catering services have been provided to customers. The Group's trading terms with its customers are mainly on cash, credit card and electronic settlement. The credit period is generally less than one month.

Sale of food products

The performance obligation is satisfied upon delivery and acceptance of the products by the customers. The Group's trading terms with its customers are mainly on cash, credit card, electronic settlement and on credit. The credit period is generally one to two months.

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Other income and gains		
Bank interest income	4,139	6,311
Rental income	1,531	1,900
Royalty income	306	1,833
Subsidies received from utility companies for purchases of items of property, plant and equipment*	2,709	2,700
Government grants*	884	1,215
Gain on deregistration of subsidiaries, net	137	–
Foreign exchange gains, net	–	512
Others	1,809	2,616
	<hr/>	<hr/>
Total other income and gains	11,515	17,087

* As at the end of the reporting periods, there were no unfulfilled conditions or other contingencies attaching to the subsidies and government grants that had been recognised by the Group.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on lease liabilities	40,370	37,434

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Year ended 31 December	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of materials consumed	935,939	858,423
Depreciation of items of property, plant and equipment	125,615	133,959
Amortisation of right-of-use assets*	399,757	418,817
Lease payments not included in the measurement of lease liabilities*	7,903	7,158
Contingent rents*	15,390	10,555
Gain on lease modification and termination*	(9,143)	(17,419)
Auditor's remuneration	3,150	3,200
Employee benefit expenses (including directors' and chief executive's remuneration):		
Salaries, allowances and benefits in kind	1,201,795	1,122,300
Pension scheme contributions**	61,206	66,482
Total	1,263,001	1,188,782
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	148	158
Foreign exchange differences, net	1,049	(512)
Impairment of items of property, plant and equipment, net	15,495	12,733
Impairment of right-of-use assets, net	30,399	34,705
Loss on disposal of items of property, plant and equipment and right-of-use assets***	2,313	4,571
Loss/(gain) on deregistration or disposal of subsidiaries, net	(137)	2,097
Fair value loss on investment properties, net	435	2,605
Utilities expenses***	149,880	140,735
Packing and consumables***	24,517	30,031
Cleaning expenses***	38,103	32,756
Transportation and logistics***	36,475	37,156

* These are included in "Amortisation of right-of-use assets, rental and related expenses, net" in profit or loss.

** There are no forfeited contributions that may be used by the Group (as employer) to reduce the existing level of contributions.

*** These items are included in "Other operating expenses" in profit or loss.

8. INCOME TAX

Pursuant to the rules and regulation of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). The PRC tax and Macau tax have been provided at the rates of 25% (2024: 25%) and 12% (2024: 12%), respectively, on the estimated profits arising in the PRC and Macau during the year.

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Current – Hong Kong profit tax		
Charge for the year	36,963	23,504
Underprovision in prior years	577	47
Current – Elsewhere – income taxes		
Charge for the year	1,614	989
Overprovision in prior years	(1,771)	–
Deferred	(5,550)	(9,048)
	<u>31,833</u>	<u>15,492</u>
Total tax charge for the year	<u>31,833</u>	<u>15,492</u>

9. DIVIDENDS

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend – HK3.50 cents		
(2024: HK2.50 cents) per ordinary share	34,000	25,135
Proposed final dividend – HK5.00 cents		
(2024: HK2.50 cents) per ordinary share	48,571	24,286
Proposed special dividend – Nil		
(2024: HK7.50 cents) per ordinary share	–	72,856
	<u>82,571</u>	<u>122,277</u>

The proposed final dividend for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share for the year ended 31 December 2025 is based on the profit for the year attributable to owners of the Company of HK\$108,101,000 (31 December 2024: HK\$62,749,000) and the weighted average number of ordinary shares of 972,319,000 (31 December 2024: 1,005,302,000 ordinary shares) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

The calculations of basic and diluted earnings per share are based on:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculation	<u>108,101</u>	<u>62,749</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of outstanding ordinary shares during the year used in the basic and diluted earnings per share calculation	<u>972,319,000</u>	<u>1,005,302,000</u>

11. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	<u>26,743</u>	<u>28,203</u>

The Group's trading terms with its customers are mainly on cash, credit card, electronic settlement and on credit. The credit period is generally a few days to two months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	22,613	23,655
1 to 2 months	2,297	2,985
2 to 3 months	360	424
Over 3 months	<u>1,473</u>	<u>1,139</u>
Total	<u>26,743</u>	<u>28,203</u>

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	83,806	74,796
1 to 2 months	7,145	6,301
2 to 3 months	1	554
Over 3 months	1,003	3,618
	<hr/>	<hr/>
Total	91,955	85,269
	<hr/>	<hr/>

13. ISSUED CAPITAL

	31 December 2025 <i>HK\$'000</i>	31 December 2024 <i>HK\$'000</i>
Authorised: 10,000,000,000 (as at 31 December 2024: 10,000,000,000) ordinary shares of HK\$0.01 each	100,000	100,000
	<hr/>	<hr/>
Issued and fully paid: 971,419,000 (as at 31 December 2024: 1,005,399,000) ordinary shares of HK\$0.01 each	9,714	10,054
	<hr/>	<hr/>

A summary of movements in the Company's issued capital is as follows:

	Number of shares in issue	Share capital <i>HK\$'000</i>
As at 1 January 2024, 31 December 2024 and 1 January 2025	1,005,399,000	10,054
Cancellation of shares (<i>note</i>)	<u>(33,980,000)</u>	<u>(340)</u>
As at 31 December 2025	971,419,000	9,714
	<hr/>	<hr/>

Note:

During the Year ended 31 December 2025, the Company repurchased 27,540,000 of its ordinary shares on the Stock Exchange at a total consideration of HK\$25,120,000. Together with 6,440,000 treasury shares held as of 31 December 2024 repurchased at a total consideration of HK\$4,784,000, the total of 33,980,000 repurchased shares were cancelled during the period and the total amount paid for purchase of the shares of HK\$340,000 and HK\$29,564,000 have been charged to issued capital and share premium account of the Company, respectively.

14. SHARE OPTION SCHEMES

(a) Pre-IPO share option scheme

The Company operates a pre-IPO share option scheme (the “Pre-IPO Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Pre-IPO Share Option Scheme include senior management and employees of the Group. The Pre-IPO Share Option Scheme was approved and conditionally adopted by the Shareholders of the Company (the “Shareholders”) on 22 May 2019 and, unless otherwise cancelled or amended, will remain in force for 10 years from the effective date of the Pre-IPO Share Option Scheme.

There were no outstanding share options under the Pre-IPO Share Option Scheme as at 31 December 2025 and 2024.

Share options do not confer rights on the holders to dividends or to vote at shareholders’ meetings.

(b) Post-IPO share option scheme

The Company operates a post-IPO share option scheme (the “Post-IPO Share Option Scheme”) for the purpose of motivating eligible persons to optimise their performance and efficiency for the benefit of the Group and to attract and retain or otherwise maintain ongoing relationships with such eligible persons whose contributions are expected to be/will be beneficial to the Group. The Post-IPO Share Option Scheme was approved and conditionally adopted by the Shareholders on 22 May 2019 (the “Adoption Date”) and, unless otherwise cancelled or amended, will remain in force for 10 years commencing on the effective date of the Post-IPO Share Option Scheme.

Since the Adoption Date and up to 31 December 2025, no share options of the Company were granted, exercised, cancelled or lapsed under the Post-IPO Share Option Scheme.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Performance

The Board of the Company is pleased to announce the annual results of the Group for the year ended 31 December 2025 (the “Review Year” or “FY2025”), together with the comparative figures of 2024 (“FY2024”).

In FY2025, the catering industry continued to face challenges from weak consumer sentiment and heightened competition, which accelerated market consolidation and the survival of the fittest. Notwithstanding such operating environment, the Group sustained its growth momentum amidst greater market volatility attributable to its strategies including multi-brand strategy, ongoing cost controls and precise brand promotion and marketing strategies. During the Review Year, the Group’s overall revenue increased by 7.5% year-on-year to approximately HK\$3,538.5 million (FY2024: HK\$3,292.0 million). During the Review Year, the Group recorded a gross profit of approximately HK\$2,602.6 million (FY2024: HK\$2,433.5 million). In spite of fluctuations in raw material prices, the Group’s gross profit remained at 73.5%, representing a slight decrease from 73.9% in FY2024, through measures such as continuous strengthening of procurement at source and ingredients substitution solutions. Meanwhile, the Group strictly implemented cost control measures and prudently managed staff costs and rental expenses, which drove the profit attributable to owners of the Company up by 72.3% to approximately HK\$108.1 million (FY2024: HK\$62.7 million). Basic earnings per share attributable to the owners of the Company increased by 78.2% to HK11.12 cents (FY2024: HK6.24 cents), and the return on equity increased by 5.3 percentage points from 6.5% in FY2024 to 11.8% in FY2025.

The Group maintained a healthy financial position with sufficient cash and steady operating cash flows, which gave it flexibility to navigate through market fluctuations and drive the Group’s long-term development. As at 31 December 2025, the Group had no bank borrowings and had cash and cash equivalents of HK\$380.4 million (as at 31 December 2024: HK\$330.8 million).

Despite the complex global political and economic landscape at present, the Board is confident in the future development of the Group and the Group maintains a stable dividend policy to reward its shareholders. The Board has proposed a final dividend of HK5.00 cents per share (2024: HK2.50 cents per share). Together with the interim dividend of HK3.50 cents per share already paid, the proposed total dividend will amount to HK8.50 cents per share.

Other Income and Gains

Other income and gains consist mainly of bank interest income, subsidies received from utility companies for purchases of items of property, plant and equipment and rental income. During the Review Year, other income and gains was HK\$11.5 million (FY2024: HK\$17.1 million).

Operating Costs

Cost of Materials Consumed

In FY2025, affected by extreme weather, inflation, and global economic uncertainties, ingredient prices generally rose. During the Review Year, the cost of materials consumed amounted to HK\$935.9 million (FY2024: HK\$858.4 million), representing 26.5% of revenue (FY2024: 26.1%). For the purposes of continuous cost control and maintaining competitiveness, the Group actively implemented various measures to optimise the supply chain, including strengthening the procurement at source for effective control over procurement costs, and fostering synergies between its factories in Hong Kong and Chinese Mainland. This involved scaling up production and refining processes to enhance overall operational efficiency. Furthermore, the Group focused on enhancing logistics and transportation efficiency and introduced automated equipment to improve management efficiency and food safety and quality.

Staff Costs

The Group has continued to simplify its workflows and introduce automated equipment. Concurrently, by establishing a systematic training programs and rolling out attractive staff incentive schemes, it has consistently enhanced staff service standards and operational efficiency, leading to manpower streamlining and strengthened team execution capabilities. In addition, the Group also organised a number of training courses on AI to further enhance the soft power of the application of technology and work efficiency during the Review Year. The Group's staff cost as a percentage of revenue decreased by 0.4 percentage point from 36.1% in FY2024 to 35.7% during the Review Year, and staff costs amounted to HK\$1,263.0 million (FY2024: HK\$1,188.8 million).

Amortisation of Right-of-Use Assets, Rental and Related Expenses, Net

For the purpose of effective control over rental costs, the Group has dedicated an internal team responsible for analysing lease arrangements and store network layout. The Group also proactively negotiates with landlords to secure more competitive leasing terms. The ratio of the Group's amortisation of right-of-use assets, rental and related expenses to revenue decreased from 15.3% in FY2024 to 14.8% during the Review Year, with amortisation of right-of-use assets, rental and related expenses amounted to HK\$525.4 million (FY2024: HK\$504.2 million).

Other Operating Expenses

In addition to the aforementioned costs, the Group's other operating expenses for the Review Year were HK\$473.8 million (FY2024: HK\$460.6 million). As the number of stores and business volume increased, various operating expenses such as utilities and cleaning expenses, food delivery platform handling charges and payment platform handling charges increased accordingly. However, under the Group's stringent cost management measures, the ratio of other operating expenses to revenue decreased from 14.0% in FY2024 to 13.4% during the Review Year.

Impairment Losses on Property, Plant and Equipment and Right-of-Use Assets

Amid the ongoing volatility in the overall operating environment of the catering industry, the Group continued to implement integration strategies for its restaurants network, and made impairment provisions for certain underperforming branches. During the Review Year, the impairment losses on property, plant and equipment and right-of-use assets amounted to HK\$45.9 million (FY2024: HK\$47.4 million).

Industry and Geographical Analysis

Benefitting from a series of policies for Hong Kong introduced by the Central Government to support Hong Kong, and the vigorous promotion of tourism and mega-events by the Government of the Hong Kong Special Administrative Region, Hong Kong's economy gained new growth momentum. In view of this market opportunity, the Group continued to integrate its restaurant network layout by leveraging its multi-brand strategy and strengthening penetration in existing business districts (including tourist areas) and attracted customer traffic through various marketing and promotional campaigns, thereby consolidating its market competitiveness.

As for Chinese Mainland, embattled with operational pressures from price wars, rising costs, and consumption downgrade, many catering brands have chosen to scale back their operations or exit the market. In the face of this situation, the Group actively responded by integrating its existing restaurants network, continuously streamlining its management structure, and strictly implementing cost controls, thereby moving forward steadily in a volatile market.

Business Segment Analysis

With roots and presence in Hong Kong for over 36 years, in addition to its flagship brand "Tai Hing (太興)", the Group has acquired and been licensed a number of brands, including "Trusty Congee King (靠得住)", "Pho Lê (錦麗)", "Men Wah Bing Teng (敏華冰廳)", "Sing Kee Seafood Restaurant (星記海鮮飯店)", self-developed and launched "TeaWood (茶木)", "Asam Chicken Rice (亞參雞飯)", "Dimpot (點煲)", "Dumpling City (餃子鎮)", "King Fong Bing Teng (瓊芳冰廳)", "Tommy Yummy", "Tori Yoichi (鳥世一)", "Bingle Bingle (Bingle Bingle 空中列車烤肉)", "ManShan Taipei (滿山·台北)", "On Kim Pot Rice (安金稻朝鮮拌飯)", "Bashi Ramen (一橋拉麵)", "TOKENYO Korean BBQ Cuisine (TOKENYO韓式烤肉料理)" and "Hing Gor Beef Brisket (興哥清湯腩)", to suit the diverse preferences of diners.

As at 31 December 2025, the Group had a network of 224 restaurants (as at 31 December 2024: 211 restaurants), of which 198 were located in Hong Kong and Macau and 26 were in Chinese Mainland, out of which 16 were in the Greater Bay Area.

As the Group's flagship brand, "Tai Hing" has remained the Group's largest revenue contributor. With its commitment to maintaining consistent product quality and effective marketing promotion strategies, both its revenue and profit recorded growth. During the Review Year, revenue increased by 5.7% year-on-year to HK\$1,330.6 million (FY2024: HK\$1,258.6 million), accounting for 37.6% (FY2024: 38.2%) of total revenue. "Tai Hing" continued to consolidate its market positioning of the "King of the Roast" and its brand image through diversified marketing strategies. These included the launch of siu mei promotions and collaborations with a popular broadcaster to create TV special about siu mei. The Group also capitalised on key festive seasons by offering Poon Choi (盆菜) to boost festive consumption, adding momentum to revenue growth.

"Men Wah Bing Teng", the Group's second largest revenue contributor, performed steadily during the Review Year, with revenue amounted to HK\$909.3 million (FY2024: HK\$886.3 million), accounting for 25.7% (FY2024: 26.9%) of total revenue. To strengthen the brand image, the Group launched a new "Preserving Flavours of the Past by Men Wah Since 1973 (留傳舊時風味敏華始於1973)" themed advertisement in the first half of the year while launching two "Limited-time Classic Set Menu (經典限時回味套餐)", which was well received by the market. Moreover, to cater for market demand and enhance competitiveness, the Group optimised its product portfolio by introducing healthy and value-for-money options for breakfast and afternoon tea to suit diverse customer needs. It also kept introducing special side dishes during dinner hours to drive customer traffic and revenue growth at the evening session.

Revenue from "Asam Chicken Rice" was approximately HK\$275.4 million (FY2024: HK\$249.5 million), representing a year-on-year increase of 10.4%, which is the key growth driver for the Group. During the Review Year, the Group continued to expand the "Asam Chicken Rice" business presence, adding three new branches in Hong Kong during the year, which brought the total number of stores to 22. Among these, the new branch at the Peak Galleria successfully drew in a substantial number of tourists and local patrons by leveraging the brand's distinctive Singaporean-Malaysian flavours and its premium location. On the product front, following the positive reception of its popular clay pot dishes in 2024, "Asam Chicken Rice" launched new dishes under the same category and set menu for two during the dinner hours. The unique flavours and sophisticated pairings of these new items were well received by the market, driving up the average spending per customer.

“Trusty Congee King” extended its growth trend to record increases in both revenue and profit for the year. Its revenue increased by 25.8% year-on-year to HK\$174.2 million (FY2024: HK\$138.4 million), accounting for 4.9% (FY2024: 4.2%) of the total revenue of the Group. During the Review Year, “Trusty Congee King” kept a steady pace of expansion, with a total of three new branches (including one relocated store) opened during the year, bringing the total number of stores to 12. Among them, boasting scenic views and distinctive cuisine experiences, the new store located in the Peak Galleria was welcomed by tourists and local diners, further expanding its customer base. In the face of the price wars in the Hong Kong catering market, the brand adopted a prudent approach in price adjustment and offered curated promotions for its core products, while improving existing ones to enhance their appeal to customers and brand competitiveness. Notably, “Trusty Congee King” was once again awarded the Michelin Bib Gourmand recognition, marking its 16th consecutive years for the award, and cementing its reputation for exceptional culinary quality and brand influence.

Meanwhile, to meet the market’s demand for value-for-money catering, the Group launched new brands including “On Kim Pot Rice”, which specialises in Korean-style bibimbap, and “Bashi Ramen”, which offers high-quality ramen at an affordable price. During the Review Year, “On Kim Pot Rice” has increased number of stores to 7 whereas “Bashi Ramen” has reached 10. In addition, in the fourth quarter of the year, the Group introduced “Hing Gor Beef Brisket”, a new brand featuring Hong Kong-style beef brisket. The brand has already opened two branches, advancing its regional layout in an orderly way.

In the course of market expansion, the Group continued to optimise its marketing strategies, further consolidating its market competitiveness with flexible product portfolios and targeted promotional activities. During the Review Year, the Group actively cooperated with food delivery platforms for promotion and sold electronic gift vouchers through e-commerce platforms. At the same time, it also used its own platform “Tai Hing Group App” for promotion and coupon distribution. Among them, food voucher sales campaign were launched through “Tai Hing Group App” during the year, which received a positive response from customers. The sales performance was outstanding, providing positive support to the cash flow of the Group. In addition, the Group continued to strengthen its connection with different categories of customers through social media interaction and advertisements to tap into potential markets and expand brand coverage and influence.

The Group’s first integrated mobile application “Tai Hing Group App” has seen its membership surpass 330,000 since its launch over two years ago, becoming a key platform that drives the Group’s business growth. Not only has the application been witnessing steady increase in the number of membership registrations, but it also has contributed to the solid growth in the turnover of self pick-up and electronic cash voucher sale, further strengthening customer loyalty to the Group’s brand portfolio. During the Review Year, “Tai Hing Group App” underwent several upgrades and optimised operation process by members, further enhancing the cross-platform discount experience of multiple brands under the Group, including “Tai Hing”, “Men Wah Bing Teng”, “TeaWood” and other newly established brands. Meanwhile, the Group further expanded its cooperation with different enterprises to provide exclusive promotional offers for members, continuously attracting new members and increasing platform adherence.

Sustainable Development

In keeping with its “Tai Hing Care” spirit, the Group is committed to integrating sustainable development concepts into its daily operations and long-term strategies, thus it actively promotes environmental protection and green transformation. Since 2024, the Group has been collaborating with the eco-friendly living platform “Zero2”, driving employees’ ESG awareness through game tasks. As of 31 December 2025, the Group has accumulated considerable amount of carbon reductions through zero-carbon initiatives within its ecosystem with improving results. In addition, the Group was invited to participate in the Phase 2 of the “e-HKD” Pilot Programme initiated by the Hong Kong Monetary Authority as one of the ESG participating merchants, exploring the practical application in the ESG reward scenarios on the Zero2 platform. In this pilot programme, customers who completed designated ESG actions (such as environmental tasks) would receive digital vouchers issued in the form of “e-HKD”, which could be used at restaurants of designated catering brands under the Group. The transactions were immediately settled via conversion, which improved reward efficiency and process transparency, at the same time practising the environmental protection concept. During the Review Year, the Group was honored with the “Green Leadership Award “ in F&B Industry Carbon Neutral Programme founded by the Environmental and Conservation Fund and organised by the Hong Kong Federation of Restaurants & Related Trades for the Restaurant Industry in recognition of the Group’s contributions to sustainable development and carbon neutrality.

During the Review Year, the Group also actively fulfilled its corporate social responsibility and cooperated with 23 social welfare organisations to organise or sponsor more than 36 community and fundraising activities, responding to needs of various groups in the society. In addition, the Group also participated in a number of activities such as blood donation, tree-planting, donation and visits, including donating, through social workers under the Social Welfare Department, food vouchers with a total value of HK\$2.0 million to the affected residents of Wang Fuk Court to support the residents to overcome the difficult times, benefiting nearly 2,000 families, which not only promoted community communications and care, but also demonstrated the Group’s active participation and continuous contribution to social development. During the Review Year, in addition to the launch of various exclusive discounts for the elderly in response to the “828 JoyYou Fest (828樂悠節)” organised by Octopus Cards Limited, at the same time, the Group participated in a number of “Caring Food Coupon Programme (愛心食肆賞你惠食)”, which were campaigns promoted by the Government of the Hong Kong Special Administrative Region, sponsoring a total of 160,000 food and beverage coupons to the elderly, with a total discount of HK\$6.2 million, so as to further connect with the silver generation and embody the spirit of a caring community.

Talent is the core driving force for business development. The Group has signed the Equal Opportunities Commission’s “The Racial Diversity and Inclusion Charter for Employers”, and in line with the spirit of the Charter, the Group is committed to creating an equal, diverse and inclusive working environment and has been promoting workplace inclusion. During the Review Year, the Group was awarded once again with the Employees Retraining Board’s “2024/25 ERB Merit Awards for Employers” and acknowledged as the “Super MD”, marking the 16th consecutive year of recognition under the “ERB Manpower Developer Award Scheme”, recognising the Group’s continuous efforts in staff training, talent development, and course promotion. In addition, five employees of the Group were awarded the “2025 Outstanding QTS Merchant Service Staff Awards (2025傑出優質商戶員工服務獎),” from the Hong Kong Tourism Board, acknowledging the outstanding service quality of the Group’s employees.

PROSPECTS

As it enters 2026, confronting structural challenges such as the normalisation of northbound spending trends of Hong Kong residents, intensified industry competition and changes in consumer preferences, the Group will adhere to the philosophy of management excellence, focusing on product innovation, brand image upgrade and precision marketing to comprehensively increase operational efficiency and resilience, thereby laying a solid foundation for the sustainable growth of the Group.

The Group will focus on consolidating its core brands. It will return to major commercial areas and penetrate deeper in existing areas such as Tseung Kwan O and Tsim Sha Tsui and other core living areas and tourist areas, so as to expand customer base, and carefully select locations by studying various aspects such as foot traffic and spending habits to ensure the development potential of new locations. Meanwhile, the Group will carefully advance the store renovation plans for different brands based on the progress of lease renewals, with an aim to elevating brand images and meeting market demands with a refreshed look and customer experience.

In terms of product promotion and marketing strategies, the Group continues to develop new products and optimise menu sets, launch traffic-driving and seasonal products in a timely manner and strengthen the promotion for dinner session to create a sense of novelty in dining experience in line with festival and seasonal themes and boost consumer sentiment. At the same time, the Group improves usage efficiency and reduces consumption through flexible use of food ingredients. In terms of pricing, it adopts prudent price adjustment and promotional offer in parallel to enhance the attraction to customers. The Group also actively carries out tourism-related promotional activities and cooperates with shopping malls, electronic payment platforms and media to increase brand exposure and boost revenue growth.

As technology is driving the transformation of the catering industry, in order to seize the opportunity, the Group will continue to invest in digital construction, focusing on improving both customer experience and operational efficiency. For customers, the Group will upgrade the “Tai Hing Group App” by integrating one-stop ordering services for multiple brands to improve the smoothness of use and customer satisfaction and optimise user experience, thereby bolstering customer loyalty and revenue from digital orders. As for enterprise management and operational process, the Group will further invest in advanced technology and artificial intelligence-assisted tools, and strive to increase the application scenarios for employees. What is more, it will strengthen risk management, reduce manual work, so as to lower labour and other operating costs, while improving data processing and analysis capabilities. In addition, the Group will continue to promote the construction of various automated systems and optimise internal processes to support the Group’s sustainable development with digital capabilities.

As the silver economy emerges, the Group is actively responding to social needs and seizing new market opportunities. The Group was once again invited in late February 2026 to participate in the “Caring Food Coupon Programme”, taking concrete actions to build a connection between its brand and the community and transforming social care into sustainable brand value. The Group also cooperated with The Project Futurus, an elderly-friendly social enterprise, and “Captain Softmeal (《軟餐俠》)” to launch a menu specifically designed for the elderly and patients suffering from swallowing difficulties or dysphagia through “Trusty Congee King”, the Michelin Bib Gourmand recognised restaurant, in accordance with International Dysphagia Diet Standardisation Initiative (IDDSI) in February 2026. As the first Michelin Bib Gourmand-recommended restaurant in Hong Kong offering freshly made soft meal congee, “Trusty Congee King” has opened up new opportunities in the soft-meal market and demonstrated the Group’s focus on the dining needs of different parties. The Group is currently studying the feasibility of promoting soft meals to other brands, so as to continuously promote an inclusive dining culture and furthering the practice of socially friendly catering.

The Group continues to promote green and low-carbon transformation and reduces its operational carbon footprint through building a green logistics network in a multi-pronged way. On the one hand, the Group continues to introduce electric vehicles and gradually replace large trucks to improve the environmental efficiency of the fleet at source. On the other hand, the Group optimises distribution arrangements and shortens routes to improve transportation efficiency for saving fuel, in a bid to effectively reduce the environmental impact of operations while expanding its business.

The year 2026 is full of challenges and a crucial period for rebuilding competitiveness. Amidst the ongoing industry transformation, the Group will uphold the principle of “seeking progress while maintaining stability”, continuously optimising its brand and store network and be prudent in its expansion pace. On top of consolidating financial stability, the Group will promote resource integration and value enhancement among its brands to fully unleash their potential, in a bid to build a more sustainable path for long term development.

FINAL DIVIDENDS

The Board has proposed the payment of a final dividend of HK5.00 cents (2024: final dividend of HK2.50 cents and a special dividend 7.50 cents) per share for the year ended 31 December 2025 payable to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company on Monday, 1 June 2026, subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company (the “Annual General Meeting”). Subject to the proposed final dividends being approved by the Shareholders, the dividend warrants of the proposed final dividend are expected to be despatched to the Shareholders on or before Monday, 15 June 2026.

CLOSURE OF REGISTER OF MEMBERS

- (1) For determining the eligibility of the Shareholders to attend and vote at the Annual General Meeting or any adjournment of such meeting:

The Annual General Meeting is scheduled to be held on Friday, 22 May 2026. For determining the eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer forms duly accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 18 May 2026.

- (2) For determining the entitlement of the Shareholders to the proposed final dividends:

For determining the entitlement to the proposed final dividends for the year ended 31 December 2025, the register of members of the Company will be closed from Friday, 29 May 2026 to Monday, 1 June 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividends for the year ended 31 December 2025, all transfer forms duly accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 28 May 2026.

FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE, EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES AND OTHERS

Liquidity and Financial Resources

The principal sources of fund for the Group is internally generated cash flows. As at 31 December 2025, the Group's cash and cash equivalents were approximately HK\$380.4 million (as at 31 December 2024: approximately HK\$330.8 million), representing an increase of approximately 15.0%, which mainly came from the positive operating cash flow from restaurant operation and sale of food products. Such fund was used for the purposes of opening new restaurants, enhancement and expansion of food factories in Hong Kong and Chinese Mainland, renovation of existing restaurants, and shares repurchase during the Review Year. The majority of the bank deposits and cash were denominated in Hong Kong dollars and Renminbi.

As at 31 December 2025, the Group's total current assets and current liabilities were approximately HK\$604.6 million (as at 31 December 2024: approximately HK\$532.1 million) and approximately HK\$804.9 million (as at 31 December 2024: approximately HK\$756.6 million), respectively, while the current ratio of the Group (calculated by dividing total current assets by total current liabilities at the end of respective periods) was approximately 0.8 times (as at 31 December 2024: approximately 0.7 times). After excluding current portion of lease liabilities and contract liabilities, the adjusted net current assets (Non-HKFRS measures) were approximately HK\$245.5 million as at 31 December 2025 (as at 31 December 2024: HK\$204.4 million), while the adjusted current ratio (Non-HKFRS measures) (calculated by dividing total current assets by total current liabilities excluding current portion of lease liabilities and contract liabilities at the end of respective periods) was approximately 1.7 times (as at 31 December 2024: approximately 1.6 times). The Group monitors its financial position using adjusted net current assets and the adjusted current ratio, given that the corresponding right-of-use assets related to the current portion of lease liabilities are classified as non current assets, and that contract liabilities represent advances received from customers which will be settled through the transfer of goods or services to customers.

The Group did not have any interest-bearing bank borrowings as at 31 December 2025 (as at 31 December 2024: Nil). During the year ended 31 December 2025, there were no financial instruments used for hedging purposes.

As at 31 December 2025, the gearing ratio of the Group was 55.6% (as at 31 December 2024: 56.0%). The gearing ratio is calculated by dividing net debt by capital plus net debt. Net debt includes contract liabilities, lease liabilities, trade payables, other payables and accruals, less cash and cash equivalents. Capital represents the equity attributable to owners of the Company.

Foreign Currency Risk

The Group's revenue and costs are mostly denominated in Hong Kong dollars and Renminbi. The change in value of the Renminbi against the Hong Kong dollars may fluctuate and is affected by changes in China's political and economic conditions. The appreciation or devaluation of the Renminbi against Hong Kong dollars may affect the Group's results. The Group does not have any currency hedging policy and has not entered into any hedging or other instrument to reduce currency risks. The Group will continue to closely monitor the foreign currency exposure and take appropriate measures to minimise the risk when necessary.

Capital Expenditure and Commitment

During the Review Year, the Group's capital expenditure (excluding right-of-use assets) was HK\$102.9 million (FY2024: HK\$127.4 million). As at 31 December 2025, the Group's outstanding contractual commitments were HK\$6.6 million (as at 31 December 2024: HK\$3.5 million). The outstanding contractual commitments consist of leasehold improvements and equipment which are contracted, but not provided for, and will be fulfilled by the operating cash flow generated from ordinary business of the Group.

Contingent Liabilities

As at 31 December 2025, the Group had contingent liabilities of approximately HK\$78.5 million (as at 31 December 2024: approximately HK\$62.1 million) in respect of bank guarantees given in favour of the landlords and utility companies in lieu of deposits.

CHARGE ON GROUP ASSETS

As at 31 December 2025, the Group had certain property, plant and equipment and right-of-use assets with an aggregate net carrying value of approximately HK\$196.7 million (as at 31 December 2024: HK\$205.9 million) which were pledged to secure the bank facilities granted to the Group.

MATERIAL ACQUISITIONS AND DISPOSAL

Save as disclosed herein, for the year ended 31 December 2025, the Group did not have any other material acquisitions and disposals of subsidiaries, associates, joint ventures, significant investments nor contractual commitment. Apart from those disclosed herein, there was no plan for other material investments or additions of capital assets at the date of this announcement.

HUMAN RESOURCES

The Group had approximately 6,300 employees as at 31 December 2025 (as at 31 December 2024: approximately 6,200). The emolument policy of the employees of the Group is set up by the senior management of the Group on the basis of their merit, qualifications and competence. The emoluments of the Directors and senior management of the Company are recommended by the Remuneration Committee and approved by the Board, having regard to the Company's operating results, individual performance and prevailing market conditions.

SHARE OPTION SCHEMES

The Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme of the Company (the "Share Option Schemes") were approved and conditionally adopted pursuant to the resolutions passed by the Shareholders on 22 May 2019 for the purpose of providing incentives and rewards to eligible participants for their contributions to the Group.

The principal terms of the Share Option Schemes are set out in "Appendix V (Statutory and General Information – D. Share Option Schemes)" to the prospectus of the Company dated 30 May 2019. During the year ended 31 December 2025, no share options were exercised, cancelled or lapsed. There was no outstanding share option of the Company under the Pre-IPO Share Option Scheme as at 31 December 2025. No share options were granted under the Post-IPO Share Option Scheme from the date of listing of the shares of the Company on the Stock Exchange on 13 June 2019 and up to 31 December 2025.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, the Company repurchased a total of 27,540,000 shares on the Stock Exchange for an aggregate amount (excluding trading expenses) of HK\$25,120,320 in January 2025. The highest and lowest price per share paid for such purchases were HK\$0.97 and HK\$0.79 respectively.

Such repurchased shares were subsequently cancelled on 28 February 2025. The Board believes that the share repurchase is able to show the Company's confidence in the long-term prospect of its business and will bring benefits to the Company and value to its Shareholders in the long run, and therefore is in the best interests of the Company and its Shareholders as a whole.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2025 and up to the date of this announcement.

AUDIT COMMITTEE REVIEW

The audit committee of the Company has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed with the management regarding matters on risk management and internal control system and financial reporting, including review of the consolidated financial statements for the year ended 31 December 2025.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2025, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Ernst & Young on this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Rules Governing the listing of Securities on the Stock Exchange (the "Listing Rules") throughout the year ended 31 December 2025.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries with all Directors, they have confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 December 2025.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.taihing.com). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be disseminated to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Tai Hing Group Holdings Limited
Chan Ka Keung
Chairman

Hong Kong, 20 March 2026

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

Executive Directors

Mr. Chan Ka Keung (Chairman), Ms. Chan Shuk Fong (Vice Chairman), Mr. Yuen Chi Ming and Mr. Ho Siu Fung

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