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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)**

## **UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS FROM THE GLOBAL OFFERING**

References are made to (i) the prospectus issued by Tai Hing Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 30 May 2019 (the “**Prospectus**”); (ii) the announcement of the Company dated 22 October 2021 in relation to the change in use of proceeds from the global offering (the “**Announcement**”); and (iii) the interim report of the Company for the six months ended 30 June 2023 (the “**2023 Interim Report**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus, the Announcement and the 2023 Interim Report.

As disclosed in the 2023 Interim Report, the net proceeds from the share offer in association with the Listing amounted to HK\$694.5 million (the “**Net Proceeds**”).

As disclosed in the Announcement, (i) on 22 October 2021, the board of directors of the Company (the “**Board**”) has resolved to change the use of Net Proceeds with reasons and details of such changes as disclosed in the Announcement; and (ii) the expected timelines for fully utilising all the unutilised Net Proceeds are on or before 31 December 2023.

As at 31 October 2023, Net Proceeds of approximately HK\$682.1 million had been utilised, and the unutilised Net Proceeds amounted to approximately HK\$12.4 million.

The table below sets forth the status of utilisation of the Net Proceeds as at 31 October 2023:

	<b>Percentage of Net Proceeds</b>	<b>Net Proceeds</b> <i>HK\$ million</i> <i>(approximately)</i>	<b>Amount Utilised as at 31 October 2023</b> <i>HK\$ million</i> <i>(approximately)</i>	<b>Amount Remaining as at 31 October 2023</b> <i>HK\$ million</i> <i>(approximately)</i>
The New Restaurants' Plan*	58.5%	406.2	(406.2)	0.0
The Food Factories' Plan*	20.5%	142.4	(130.0)	12.4
Renovation of existing restaurants in Hong Kong and Mainland China	11.0%	76.4	(76.4)	0.0
Additional working capital and other general corporate purposes	10.0%	69.5	(69.5)	0.0
<b>Total</b>	<b>100%</b>	<b>694.5</b>	<b>(682.1)</b>	<b>12.4</b>

\* As defined in the Announcement

Due to the novel coronavirus epidemic (“**Pandemic**”) in the past few years, business environment in the catering industry was seriously affected especially during the outbreak of the fifth wave of the Pandemic in Hong Kong in 2022. The HKSAR Government has implemented dine-in restrictions on evening dining and stricter social distancing policies. In addition, due to the raging Pandemic in Mainland China at the same time, government authorities in Mainland China has implemented a series of measures to curb the Pandemic, including city lockdown, closed-loop management, travel restrictions and dine-in restrictions. The Group has therefore controlled the costs more strictly and use the Net Proceeds in a more prudent manner to maintain business stability. The Company expects that additional time is required for the Group to plan and use the proceeds in a more prudent manner. On 8 December 2023, the Board has resolved to extend the expected timeline for fully utilising all the unutilised Net Proceeds from on or before 31 December 2023 to on or before 31 December 2025. Such expected timeline for utilising the unutilised Net Proceeds is determined based on the Group’s best estimation barring unforeseen circumstances, and would be subject to change based on the future development of market conditions.

The Board is of the view that the extension of the expected timeline for fully utilising the Net Proceeds is fair and reasonable as this would allow the Group to deploy its financial resources more effectively to enhance the profitability of the Group and would not have any material adverse effect on the existing business and operations of the Group, and is therefore in the best interests of the Company and its shareholders as a whole.

The Board will constantly evaluate the Group’s business objective and may change or modify plans and timeline against the changing market condition to ascertain the business growth of the Group. The Board will also take a cautious approach continually when considering using the proceeds, and closely monitor the changes of the market conditions from time to time.

The supplementary information provided in this announcement does not affect any other information contained in the 2023 Interim Report and, save as disclosed above, the contents of the 2023 Interim Report remains unchanged.

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

Hong Kong, 8 December 2023

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*