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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

UNAUDITED RESULTS OF THE GROUP

The board of directors (the "Board") of Tai Hing Group Holdings Limited (the "Company") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2024 (the "Review Period" or "1H2024") together with the comparative figures for the corresponding period in 2023 as follows:

FINANCIAL HIGHLIGHTS

- In 1H2024, with slow recovery in the economy and visitor arrivals in Hong Kong, as well as the continuous northbound spending and the shift in local consumption habits of local residents, the increase in the Group's revenue was restrained. The Group's revenue increased by 2.8% to approximately HK$1,612.5 million during the Review Period (1H2023: HK$1,568.2 million).

- The Group continued the stringent control over costs. The Group's profit attributable to owners of the Company was HK$10.7 million for the Review Period (1H2023: HK$45.3 million).

- The Group adopted a prudent fund management policy to ensure stable cash flows and healthy cash position, and recorded cash and cash equivalents of HK$268.0 million as at 30 June 2024 with no bank borrowings.

- Despite the challenging market and business environment, the Board was cautiously optimistic about the future development of the Group and maintained a stable dividend policy. It declared an interim dividend of HK2.50 cents per share (1H2023: HK3.40 cents per share).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2024

		Six months ended 30 June	
		2024	2023
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*4*	**1,612,488**	1,568,193
Cost of materials consumed		**(424,318)**	(415,194)
Gross profit		**1,188,170**	1,152,999
Other income and gains	*4*	**8,864**	11,440
Staff costs		**(601,017)**	(544,765)
Depreciation and amortisation		**(66,743)**	(65,834)
Amortisation of right-of-use assets, rental and related expenses		**(257,971)**	(242,368)
Other operating expenses, net		**(237,568)**	(236,478)
Finance costs	*5*	**(17,849)**	(14,620)
PROFIT BEFORE TAX	*6*	**15,886**	60,374
Income tax expense	*7*	**(5,166)**	(15,038)
PROFIT FOR THE PERIOD		**10,720**	45,336
Profit for the period attributable to:			
Owners of the Company		**10,719**	45,326
Non-controlling interests		**1**	10
		10,720	45,336
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic	*9*	**HK1.07 cents**	HK4.51 cents
Diluted	*9*	**HK1.07 cents**	HK4.51 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**10,720**	45,336
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(7,403)**	(11,519)
Reclassification adjustments for deregistration of a subsidiary	**–**	(1,941)
	(7,403)	(13,460)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**3,317**	31,876
Attributable to:		
Owners of the Company	**3,275**	31,919
Non-controlling interests	**42**	(43)
	3,317	31,876

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2024

	Notes	30 June 2024 (Unaudited) HK$'000	31 December 2023 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment and right-of-use assets	*10*	**1,774,599**	1,801,136
Investment properties		**26,860**	27,507
Intangible assets		**200**	200
Prepayments, deposits and other receivables		**138,057**	156,546
Deferred tax assets		**34,568**	30,065
Total non-current assets		**1,974,284**	2,015,454
CURRENT ASSETS			
Inventories		**72,584**	87,040
Trade receivables	*11*	**37,677**	38,246
Prepayments, deposits and other receivables		**127,924**	111,901
Tax recoverable		**594**	836
Cash and cash equivalents		**268,018**	328,147
Total current assets		**506,797**	566,170
CURRENT LIABILITIES			
Trade payables	*12*	**77,072**	83,107
Other payables and accruals		**258,043**	253,624
Contract liabilities		**34,152**	63,678
Lease liabilities		**382,071**	382,928
Tax payable		**23,890**	17,007
Total current liabilities		**775,228**	800,344
NET CURRENT LIABILITIES		**(268,431)**	(234,174)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,705,853**	1,781,280

	Note	**30 June 2024 (Unaudited)** *HK$'000*	31 December 2023 (Audited) *HK$'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**747,121**	753,921
Other payables and accruals		**37,438**	38,618
Deferred tax liabilities		**4,915**	4,189
Total non-current liabilities		**789,474**	796,728
Net assets		**916,379**	984,552
EQUITY			
Equity attributable to owners of the Company			
Issued capital	*13*	**10,054**	10,054
Reserves		**906,179**	973,282
		916,233	983,336
Non-controlling interests		**146**	1,216
Total equity		**916,379**	984,552

NOTES TO INTERIM FINANCIAL INFORMATION

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 reporting period, 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 PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2024 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange and the Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2.2 BASIS OF PRESENTATION

As at 30 June 2024, the Group had net current liabilities of HK$268,431,000 which included the current portion of lease liabilities of HK$382,071,000 and contract liabilities of HK$34,152,000. The Directors believe that the Group has sufficient cash flows from operations to meet its liabilities as and when they fall due. Therefore, the interim condensed 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 interim condensed consolidated financial statements.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The adoption of the above revised HKFRSs has had no significant financial effect on these financial statements.

3. 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 periods ended 30 June 2024 and 2023

	Hong Kong and Macau		Chinese Mainland		Total	
	2024	2023	**2024**	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Segment revenue						
Sales to external customers*	**1,430,721**	1,312,725	**181,767**	255,468	**1,612,488**	1,568,193
Intersegment sales	**–**	–	**51,737**	39,818	**51,737**	39,818
Total segment revenue	**1,430,721**	1,312,725	**233,504**	295,286	**1,664,225**	1,608,011
Reconciliation:						
Elimination of intersegment sales					**(51,737)**	(39,818)
					1,612,488	1,568,193
Segment results	**41,609**	71,386	**(24,955)**	(10,509)	**16,654**	60,877
Reconciliation:						
Elimination of intersegment results					**(768)**	(503)
Profit before tax					**15,886**	60,374

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

As at 30 June 2024 and 31 December 2023

	Hong Kong and Macau		Chinese Mainland		Total	
	2024	2023	**2024**	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(unaudited)	(audited)	**(unaudited)**	(audited)	**(unaudited)**	(audited)
Segment assets	**1,775,278**	1,810,972	**402,423**	411,404	**2,177,701**	2,222,376
Reconciliation:						
Corporate and other unallocated assets					**303,380**	359,248
Total assets					**2,481,081**	2,581,624
Segment liabilities	**1,287,236**	1,340,264	**248,661**	235,612	**1,535,897**	1,575,876
Reconciliation:						
Corporate and other unallocated liabilities					**28,805**	21,196
Total liabilities					**1,564,702**	1,597,072

Information about major customers

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

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue from contracts with customers		
(i) Disaggregated revenue information		
Types of goods or services		
Revenue from restaurant operations	**1,570,345**	1,529,336
Revenue from the sale of food products	**42,143**	38,857
Total revenue from contracts with customers	**1,612,488**	1,568,193
Geographical markets		
Hong Kong and Macau	**1,430,721**	1,312,725
Chinese Mainland	**181,767**	255,468
Total revenue from contracts with customers	**1,612,488**	1,568,193
Timing of revenue recognition		
At a point in time	**1,612,488**	1,568,193

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:

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue recognised that was included in the contract liabilities at the beginning of the period – Restaurant operations	**49,153**	27,691

(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 products by 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.

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income and gains		
Bank interest income	**3,394**	2,338
Rental income	**942**	674
Royalty income	**875**	500
Subsidies received from utility companies for purchases of items of property, plant and equipment	**1,419**	1,376
Government grants*	**442**	1,238
Gain on deregistration of a subsidiary	**–**	1,941
Foreign exchange differences, net	**714**	–
Others	**1,078**	3,373
	8,864	11,440

* There were no unfulfilled conditions or other contingencies attaching to the subsidies and government grants that had been recognised by the Group.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on lease liabilities	**17,849**	14,620

6. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of materials consumed	**424,318**	415,194
Depreciation of items of property, plant and equipment	**66,743**	65,834
Amortisation of right-of-use assets*	**216,881**	201,177
Gain on lease modification and termination*	**(8,049)**	(12,040)
Employee benefit expenses (including directors' and chief executive's remuneration):		
Salaries, allowances and benefits in kind	**570,286**	510,101
Pension scheme contributions****	**30,731**	34,664
	601,017	544,765
Foreign exchange differences, net**	**(714)**	1,198
Impairment of right-of-use assets, net***	**12,890**	8,355
Impairment of items of property, plant and equipment, net***	**5,491**	3,483
Loss on disposal of items of property, plant and equipment and right-of-use assets***	**1,344**	4,298
Utilities expenses***	**68,830**	65,926
Packing and consumables***	**14,964**	15,662
Cleaning expenses***	**15,976**	16,261
Transportation and logistics***	**18,406**	17,827

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

** Foreign exchange differences, net are included in "Other income and gains" in profit or loss during the period ended 30 June 2024. In the prior period, the balances were included in "Other operating expenses, net" in profit or loss.

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

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

7. INCOME TAX

Pursuant to the rules and regulations 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% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, 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 (2023: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). PRC tax and Macau tax have been provided at the rates of 25% (2023: 25%) and 12% (2023: 12%), respectively, on the estimated profits arising in the PRC and Macau during the period.

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the period	**8,842**	7,985
Current – Elsewhere	**238**	1,396
Deferred tax	**(3,914)**	5,657
Total tax charge for the period	**5,166**	15,038

8. DIVIDEND

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interim dividend declared after the end of the reporting period — HK2.50 cents (2023: HK3.40 cents) per ordinary share	**25,135**	34,184

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amount for the period ended 30 June 2024 is based on the profit for the period attributable to owners of the Company of HK$10,719,000 (2023: HK$45,326,000) and the weighted average number of ordinary shares in issue of 1,005,399,000 (2023: 1,005,399,000).

The Group had no potentially dilutive ordinary shares in issue during the periods ended 30 June 2024 and 30 June 2023.

10. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

For the six months ended 30 June 2024, the Group acquired property, plant and equipment and right-of-use assets of approximately HK$68.6 million (six months ended 30 June 2023: approximately HK$53.6 million).

As at 30 June 2024, the Group had certain property, plant and equipment and right-of-use assets with an aggregate net carrying amount of HK$210.5 million (31 December 2023: HK$218.1 million) which were pledged to secure bank facilities granted to the Group.

11. TRADE RECEIVABLES

	30 June 2024 (Unaudited) ***HK$'000***	31 December 2023 (Audited) *HK$'000*
Trade receivables	**37,677**	38,246

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 each of the reporting period, based on the invoice date, is as follows:

	30 June 2024 (Unaudited) ***HK$'000***	31 December 2023 (Audited) *HK$'000*
Within 1 month	**32,122**	32,265
1 to 2 months	**4,446**	5,209
2 to 3 months	**565**	513
Over 3 months	**544**	259
	37,677	38,246

12. TRADE PAYABLES

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

	30 June 2024 (Unaudited) ***HK$'000***	31 December 2023 (Audited) *HK$'000*
Within 1 month	**72,586**	69,713
1 to 2 months	**887**	8,386
2 to 3 months	**37**	990
Over 3 months	**3,562**	4,018
	77,072	83,107

13. ISSUED CAPITAL

	Number of shares	**Share capital** *HK$'000*
Authorised:		
Ordinary shares of HK$0.01 each as at 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	10,000,000,000	100,000

	Number of shares	**Share capital** *HK$'000*
Issued and fully paid:		
As at 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	1,005,399,000	10,054

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 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 30 June 2024 and 31 December 2023.

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

(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 of the Company 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 of the Post-IPO Share Option Scheme and up to 30 June 2024, 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 Directors (the "Board") of Tai Hing Group Holdings Limited (the "Company") announces the interim results of the Company and its subsidiaries ("Tai Hing Group" or the "Group") for the six months ended 30 June 2024 ("1H2024" or the "Review Period"), together with the comparative figures for the corresponding period of 2023 ("1H2023").

Together with growing uncertainties in the external environment, Hong Kong's economic recovery has been weaker than expected. At the same time, labour shortages and the continuous increase of various costs, as well as customers' preference for value-for-money dining experience, have undoubtedly added to the challenges of the business environment for the catering industry.

The slow recovery of the economy and the travel industry, as well as the northbound spending trend and the shift in consumption habits of local residents, resulted in the Group's revenue growth being restrained. Nonetheless, the Group forged ahead with a prudent management approach, implemented a series of stringent cost management measures while making timely menu adjustments, elevating the brand image of the restaurants, consolidating the restaurant network and utilising the mobile application "Tai Hing Group App", which demonstrated its resilience and agility in such an operating environment. The Group still recorded a moderate increase in revenue of 2.8% to approximately HK$1,612.5 million (1H2023: HK$1,568.2 million).

The Group's gross profit was approximately HK$1,188.2 million (1H2023: HK$1,153.0 million), and the gross profit margin was 73.7% (1H2023: 73.5%), which showed that the Group's measures were effective in optimising its product mix and supply chain management. However, during the Review Period, rising labour and rental costs put pressure on the local catering industry, coupled with the consumption downgrade in Chinese Mainland and the continued contraction of its catering market led the Group to reallocate its resources and implement integration strategies for brands and offices in relevant cities, which led to an increase in the Group's closure-related expenses and impairment provisions for restaurant assets during the first half of the year as compared with the corresponding period last year. All of the aforesaid factors created some challenges on the Group's profitability. The Group's profit attributable to owners of the Company was HK$10.7 million (1H2023: HK$45.3 million). Basic earnings per share attributable to the owners of the Company was HK1.07 cents (1H2023: HK4.51 cents).

The Group maintained a healthy financial position with sufficient cash and steady operating cash flows, facilitating its responsiveness to market changes and promoting its long-term development. As at 30 June 2024, the Group had no bank borrowings and had cash and cash equivalents of HK$268.0 million (as at 31 December 2023: HK$328.1 million).

Other Income and Gains

Other income and gains consist mainly of bank interest income, subsidies received from utility companies for the purchase of equipment and rental income. During the Review Period, other income and gains decreased to HK$8.9 million (1H2023: HK$11.4 million), mainly attributable to the fact that other income of last year also included the gain on deregistration of a subsidiary and government grants related to COVID-19 while there was no such gain during the Review Period.

Operating Costs

Cost of Materials Consumed

During the Review Period, the cost of materials consumed amounted to HK$424.3 million (1H2023: HK$415.2 million) and, as expressed as a percentage of revenue, decreased to 26.3% (1H2023: 26.5%). In view of the instability and price fluctuations in the food ingredient supply market, the Group has taken a number of countermeasures to ensure the stability and sustainability of its operation. The Group continued to implement the procurement at source strategy and made full use of the resource advantages of the factories in Hong Kong and the Chinese Mainland by transferring part of the purchased food and production processes to its own factories for research and development, production, processing and handling, and by unifying the preparation of food ingredients to ensure food quality standardisation. At the same time, the Group's centralised logistics and distribution model has not only enhanced the flexibility and controllability of the supply chain, but has also effectively reduced costs. In addition, the Group has strengthened the close communication and collaboration between frontline operations and back-end production teams, which has facilitated the enhancement of factory production efficiency and the reduction of inventory levels.

Staff Costs

During the Review Period, the overall labour market shortage was reflected in the total labour force in Hong Kong, which decreased by approximately 4.2% to only around 3.82 million from June 2018 to June 2024[1]. Against this backdrop, in addition to retaining and attracting quality talents with more favourable remuneration packages, the Group extended the application of restaurant automation systems to enhance service quality and efficiency while easing manpower pressure. Furthermore, the Group actively invested resources in talent retention, including organising orientation courses and the Outward Bound leadership training programmes to enhance staff's cohesion and sense of belonging. In order to further bring out the best in its employees and boost their morale, the Group optimised its staff incentive mechanism to bolster both performance and productivity, with a view to improving the operating performance of stores. In addition, the Group incurred one-off compensation costs related to rearrangement of staffing during its implementation of the organisational structure and restaurant consolidation strategy. Staff costs amounted to HK$601.0 million for 1H2024 (1H2023: HK$544.8 million), and staff costs as a percentage of revenue was 37.3% (1H2023: 34.7%).

1 Census and Statistics Department:
https://www.censtatd.gov.hk/en/web_table.html?id=210-06101#

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

During the Review Period, the Group's amortisation of right-of-use assets, rental and related expenses amounted to HK$258.0 million (1H2023: HK$242.4 million), and the ratio of lease-related expenses to revenue was 16.0% (1H2023: 15.5%). The Group mainly focuses its restaurant network in Hong Kong on retail spaces in shopping malls, supplemented by street-front stores to cater for different customer groups. As society returns to normalcy after pandemic, the upward rental trend has also been reflected in the leasing market for retail spaces in shopping malls, especially those in prime locations, where rental levels increased accordingly. In order to effectively address the changes in lease-related expenses and ensure the continuous expansion of the Group's business, an internal team has been set up to conduct detailed in-house analyses of the lease arrangements and the locations of the restaurant network. Meanwhile, the Group has taken the initiative in the negotiations with the landlords for renewals of tenancy agreements and signing new leasing contracts, with the aim of leasing restaurants in prime locations on the most favourable terms, thereby laying a solid foundation for the Group's long-term development.

Other Operating Expenses

In addition to the aforementioned costs, the Group's other operating expenses, excluding impairment of property, plant and equipment and right-of-use assets, for the Review Period amounted to HK$219.2 million (1H2023: HK$224.6 million). With stringent cost control measures and active internal efficiency management, various operating expenses of the Group, such as packaging costs and repair and maintenance costs, decreased during the Review Period as compared with the corresponding period last year. Thus, although the daily operating expenses of certain restaurants increased in tandem with the business volume, and the water cost increased as the government gradually withdrew the related waiver following the return to normalcy, other operating expenses, excluding impairment of property, plant and equipment and right-of-use assets, decreased in general and these expenses as a percentage of revenue also decreased to 13.6% from 14.3% last year.

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

As the overall economic conditions in Hong Kong and Chinese Mainland remained uncertain, both local residents and tourists were more cautious in their spending than ever before and demanded higher value-for-money from services and products. Coupled with the continued enthusiasm of Hong Kong residents for northbound consumption, the prospects of the catering industry are facing significant challenges due to changes in the business environment. Therefore, the Group has made impairment provisions on certain underperforming restaurants. During the Review Period, the impairment losses on property, plant and equipment and right-of-use assets increased to HK$18.4 million from HK$11.8 million last year.

Industry and Geographical Analysis

The HKSAR Government strives to promote tourism. However, the growth momentum of inbound visitor arrivals has not yet returned to the pre-pandemic level, and together with the shift in the consumption behaviour of inbound visitors, the impetus of tourism growth on the revenue of the catering industry has been very limited. According to the Census and Statistics Department, the total receipts of the restaurant sector in the second quarter of this year was provisionally estimated at HK$26.9 billion, representing a decrease of 2.1%[2] year-on-year, and business performance will remain under pressure in the near future. In order to improve the consumption sentiment of tourists and residents, the Group actively responded to promotional activities by the Hong Kong government and private organisations, such as the launch of the "Hong Kong Gourmet Journey (香港美食之旅)" with promotions to increase customer flow, and a number of evening dine-in discounts to attract more tourists and residents to the Group's restaurants. In addition, by leveraging the strength of its multi-brand network, the Group offered tourists dining privileges to encourage consumption at its branded restaurants during their visits to tourist attractions, thereby boosting overall turnover. During the Review Period, average same store sales in Hong Kong increased by approximately 2.4%.

As for Chinese Mainland, its sluggish economic growth has led to fierce low-price competition in the catering market. In the face of market changes, the Group has taken proactive measures to adopt integration strategies for brands and offices in relevant cities, continue to prudently optimise its restaurant network, and concentrate its resources on restaurants with potential and outstanding operational performance, thereby enhancing its overall operational efficiency and market competitiveness. During the Review Period, the Group opened "Men Wah Bing Teng" and "Tai Hing" restaurants at key transportation hubs such as Hangzhou East Railway Station and Shenzhen Bao'an International Airport, fully capitalising on their high customer flow to enhance profitability.

Business Segment Analysis

With roots and presence in Hong Kong for over 35 years, in addition to its flagship "Tai Hing (太興)" brand, Tai Hing Group has acquired and been licensed a number of brands, including "Trusty Congee King (靠得住)", "Phở 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)", "Dao Cheng (稻埕飯店)", "Asam Chicken Rice (亞參雞飯)", "Dimpot (點煲)", "Dumpling Station (餃子駅)", "Tommy Yummy", "Tori Yoichi (鳥世一)" and "Bingle Bingle", catering for the diverse needs of diners.

As at 30 June 2024, the Group had a network of 210 restaurants (as at 31 December 2023: 211 restaurants), of which 167 were located in Hong Kong and Macau and 43 were in Chinese Mainland, with a total of 23 restaurants in the Greater Bay Area, excluding Hong Kong and Macau.

2 Census and Statistics Department:
https://www.censtatd.gov.hk/en/wbr.html?ecode=B10800022024QQ02&scode=540

As the Group's flagship brand, "Tai Hing" has maintained its status as the Group's largest revenue contributor. During the Review Period, its revenue increased by 4.0% over the corresponding period last year to HK$605.4 million (1H2023: HK$581.9 million), accounting for 37.5% (1H2023: 37.1%) of the Group's total revenue. Recognising the importance of brand vitality, the Group has been actively pursuing a youthful branding approach for "Tai Hing". In 1H2024, most of its restaurants were redecorated to align the brand image with the preferences of the younger generations. "Tai Hing" also diversified its product offerings and optimised its pricing. In addition to launching attractive meal deals at dinner time to increase customer flow and turnover, it also stepped up the promotion of secondary food products, such as Roasted Suckling Pig (乳豬) and Poon Choi (盆菜) to provide customers with more product options, thereby achieving steady growth in revenue.

Revenue from the "Men Wah Bing Teng" brand, the Group's second largest revenue contributor, increased by 0.9% over the corresponding period last year to HK$438.9 million (1H2023: HK$435.1 million), accounting for 27.2% of total revenue (1H2023: 27.7%). The brand adjusted its operating strategies based on the market characteristics and consumption power of different regions and offered competitive price advantages, committed to stimulating customer consumption sentiment for driving business growth. In addition, "Men Wah Bing Teng" continued to launch new products based on different themes, offering side dishes at dinner time to meet the demands of its target customer groups at different times and with different consumption preferences, thus injecting impetus into the brand's business. Meanwhile, the opening hours of the restaurant in the restricted area of the Hong Kong International Airport were changed to 24 hours in the first quarter of this year, allowing tourists to enjoy classic Hong Kong flavours at any time, thereby improving profitability.

During the Review Period, revenue from "TeaWood" amounted to HK$184.8 million (1H2023: HK$167.2 million), showing an increase of 10.5% over the corresponding period last year, accounting for 11.5% of the Group's total revenue (1H2023: 10.7%). In order to enhance the customer experience and strengthen its market competitiveness, "TeaWood" continued to upgrade the decoration of its existing restaurants, creating a relaxing and comfortable dining environment. The brand also launched value-for-money meal deals at restaurants during off-peak hours, including breakfast and tea time, so as to increase customer flow at different dining hours. In terms of marketing and advertising, "TeaWood" successfully attracted the attention of a wide range of customers by collaborating with an illustrator and inviting popular artists, which further enhanced its brand awareness and image. At the same time, "TeaWood" also developed a series of delicate and Instagrammable products with a Taiwanese flavour, leveraging KOL promotion and new media on social and news platforms to showcase the brand and product characteristics to target customers with a view to increasing restaurant sales and ensuring healthy business development in the long run.

Revenue from "Asam Chicken Rice" was approximately HK$118.3 million (1H2023: HK$123.4 million). During the Review Period, "Asam Chicken Rice" took active measures to create a sense of novelty for customers by enriching its Southeast Asian menus. In addition, in order to cater for the demands of different customer groups and scenarios, the brand offered discounts for the elderly and for takeaway orders, thus presenting more affordable dining options to the market and broadening the categories of its target customers. It also launched upgraded advertisement to enhance the "Asam Chicken Rice" brand image, establishing it as the Number One Hainanese chicken rice restaurant.

During the Review Period, the Group's other brands also endeavoured to optimise their operating strategies to enhance their market competitiveness. Among them, "Trusty Congee King" has been included in the "MICHELIN Guide – Hong Kong & Macau" for fourteen consecutive years for its exceptional performance in food and service quality, which enhanced its brand reputation. "Phở Lê" continued to increase brand awareness and gain market share through effective multi-media promotional strategies to demonstrate its commitment to preparing Vietnamese cuisine with heart in a vibrant way. "Sing Kee Seafood Restaurant" continued to offer customers excellent service and high-quality classic Cantonese cuisine with a Hong Kong twist, striving to enhance customer satisfaction and recognition, which served as a solid foundation for business development.

The Group's new stylish dining brand "Tommy Yummy" continued to launch new Thai cuisine and desserts with unique styling and plating presentation, attracting young customers and families seeking a fresh dining experience and becoming a popular place for family or friends to gather. The brand also opened a branch in YOHO, Yuen Long in June 2024, further expanding its market share. "Tori Yoichi", led by a Japanese chef, is committed to offering customers quality and unique dining experiences through authentic yakitori and has become a recommended hidden gem in Central. "Bingle Bingle", which provides a value-for-money and fun Korean barbecue experience, opened its second branch in March this year.

The Group's first integrated mobile application "Tai Hing Group App", has accumulated approximately 210,000 members since its launch in mid-2023. As customers become accustomed to the application's diversified services of pre-ordering food, collection and delivery, the application has effectively driven the steady growth of the overall business. In order to further optimise the user experience and boost the consumption sentiment, the Group continued to deepen cross-brand collaboration on the application and constantly renewed promotions. It not only rewarded members' benefits with great value, but also increased the usage frequency of the application, aiming to further boost the turnover.

Sustainable Development

In keeping with its "Tai Hing Care" spirit, Tai Hing Group is committed to making positive contributions to the sustainable development of society. The Group strives to incorporate environmental, social and corporate governance ("ESG") philosophy into its daily operations and strategies. As the first catering group to promote lifestyle and environmental applications to its employees, the Group promoted a low-carbon lifestyle by offering "Zero Carbon Milk Tea (零碳奶茶)", encouraging employees, their families and also the Group's customers en masse to adopt the low-carbon lifestyle of "Taste of Tai Hing Shows Green Attitude (太興味道•綠色態度)" in a pleasant and simple way that facilitates the development of a circular economy. In addition, during the Review Period, the corporate volunteer team of the Group teamed up with nine social welfare organisations for 11 community and fundraising projects that benefited the grassroots. The Group also attaches great importance to the development and growth of its employees by cultivating caring culture and ensuring the full protection of employee rights and interests, aiming to create an equal and healthy working environment. During the Review Period, the Group received a number of ESG recognitions, including "2024 Environmental Excellent Enterprise Awards (2024年卓越商評環保企業獎)" from the Professional Validation Centre of Hong Kong Business Sector, commendated as a "Manpower Developer (MD)" for ten consecutive years from the Employees Retraining Board, and was elevated to the status of "Super MD" in 2023, and recognised with "ERB Outstanding Award for Employer" for the second consecutive year from the same institution, and it also became the first catering enterprise to receive the Gold Award of the "Hong Kong Smoke-free Leading Company Awards" from the Hong Kong Council on Smoking and Health, demonstrating the widespread social and industry recognition of the Group's ESG performance.

PROSPECTS

The Group has kept pace with market development trends by continuously consolidating its operating model and restaurant network as well as enhancing the service quality of its employees and improving the overall operational efficiency, thereby enabling the Group to progress steadily in such a dynamic business environment. Faced with customers' preference for value-for-money dining experiences, the Group has actively adapted its strategies to the circumstances. In addition to optimising product pricing and improving customer experience, the Group has launched a variety of innovative products under different brands to consolidate the influence of existing brands and, if suitable, bring novel brands to the market, so as to cater for the preferences and demands of different customers in the market.

"Tai Hing" will deepen its "Mama at home (家嚐飯)" brand image among Hong Kong people through online and offline advertisements and promotions under the 35th anniversary theme, further strengthening the emotional connection between Tai Hing and its customers. "Men Wah Bing Teng" will offer various discounts to cater for different markets, including exclusive offers for specific groups of students, exclusive traveller benefits jointly launched with partners, and special offers under the theme of "Hong Kong Gourmet Journey (香港美食之旅)", committing to expanding and attracting a variety of customer groups. "TeaWood" will continue to enrich its menu and promotional programmes to satisfy the different food preferences of customers in order to attract and retain customers. "Asam Chicken Rice" will launch an advertisement with a brand new image as the Number One Hainanese chicken rice restaurant, deepening customers' awareness of the brand. "Phở Lê" will strengthen its multimedia advertising strategy under the theme of "committed to preparing dishes with heart" to improve brand recognition. "Tommy Yummy" will seek suitable locations for branches, explore a light operating model with relatively low investment and short payback period, streamline and optimise its existing menu, and explore new customer segments.

In the face of the challenge of labour force shortage, the Group has put in place multi-faceted strategies to alleviate manpower pressure. The Group proactively scaled up the investment in digitalisation and innovative technology with an aim to streamlining the work process and enhancing the execution efficiency, so as to ease the workload of the employees. Meanwhile, the Group also secured quota for imported workers, providing fresh labour force and further enriching talent pool to guarantee a more stable workforce and optimise the service quality on a continuous basis, in order to present a more premium dinning experience for customers.

In order to effectively control operating costs, the Group will maintain a prudent approach to the in-depth adjustment to its restaurant network, and will carry out timely adjustment and closure of underperforming restaurants with expiring leases as well as to identify emerging brands with growth potentials at opportune moments to improve profitability. Meanwhile, the Group plans to expand its business in new shopping areas such as Kai Tak Sports Park to consolidate and strengthen its leading market position in existing commercial locations. In addition, the Group will increase its brand influence through continuous product innovation and service optimisation to ensure steady business development.

In terms of marketing, the Group creates customised multimedia branding campaigns for each of its brands, such as "Tai Hing", "Men Wah Bing Teng", "Asam Chicken Rice" and "Phở Lê", to deepen the brand images through innovative promotional tactics, and launches multiple privilege programmes to actively increase the loyalty and attachment of different customer groups. The Group will also continue to capitalise on its first integrated mobile application "Tai Hing Group App" and plan to fully upgrade its functionality with the aim of encouraging consumption with an enhanced user experience. In addition, the Group will also actively participate in large-scale events such as "Summer Chill Hong Kong" (香港•樂在當夏), organised by the Hong Kong Tourism Board and other organisations, leveraging the wide reach of such events to continuously increase brand exposure and promote business growth. At the same time, by collaborating with different sales channels, well-known enterprises and brands, the Group offers exceptional prices and dining experiences to various target customer groups so as to further enhance customer loyalty.

In terms of retail business, the Group took a leap forward in its development from traditional supermarkets to diversified online platforms. The Group has successfully expanded its presence to various online platforms such as AlipayHK and The Club of HKT. With flexible marketing strategies, the Group has further expanded its customer base and boosted its business volume. In response to the e-commerce trend, the Group will deepen its layout in the e-commerce sector, including product sales through the online live streaming channel "Neigbuy", and launch food specials in collaboration with Television Broadcasts Limited to leverage its strong media resources to enhance its brand awareness. Going forward, the Group will actively explore next-generation business models and collaborate with multimedia partners to promote its branded products, with the aim of further facilitating profit growth and achieving a win-win situation for brands and businesses.

In the ever-changing business environment, changes in consumers' consumption patterns and habits have brought new opportunities and challenges to the catering industry. In response to multiple challenges, the Group will continue to move forward despite the difficulties and strive to consolidate its position in the market. In addition, the Group will plan its future development in a pragmatic manner, focusing on sustainable development and long-term profitability in order to create greater value for its shareholders.

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of HK2.50 cents per share (six months ended 30 June 2023: HK3.40 cents per share) for the six months ended 30 June 2024 payable to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on Tuesday, 8 October 2024. The dividend warrants of the interim dividend are expected to be despatched to the Shareholders on or before Tuesday, 22 October 2024.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the interim dividend for the six months ended 30 June 2024, the register of members of the Company will be closed from Friday, 4 October 2024 to Tuesday, 8 October 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend for the six months ended 30 June 2024, all transfer forms duly accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, 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, 3 October 2024.

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

Liquidity and Financial Resources

The principal sources of funds for the Group are through a combination of internally generated cash flows and proceeds received from listing of shares of the Company on the Stock Exchange on 13 June 2019 (the "Listing"). As at 30 June 2024, the Group's cash and cash equivalents were approximately HK$268.0 million (31 December 2023: approximately HK$328.1 million). The majority of the bank deposits and cash were denominated in Hong Kong dollars and Renminbi.

As at 30 June 2024, the Group's total current assets and current liabilities were approximately HK$506.8 million (31 December 2023: approximately HK$566.2 million) and approximately HK$775.2 million (31 December 2023: approximately HK$800.3 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 0.7 times (31 December 2023: approximately 0.7 times). After excluding current portion of lease liabilities and contract liabilities, the net current assets were approximately HK$147.8 million as at 30 June 2024 (31 December 2023: HK$212.4 million), while the adjusted current ratio (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 1.4 times (31 December 2023: approximately 1.6 times).

The Group did not have any interest-bearing bank borrowings as at 30 June 2024 (31 December 2023: Nil). During the six-month period ended 30 June 2024, there were no financial instruments used for hedging purposes.

As at 30 June 2024, the gearing ratio of the Group was 58.1% (31 December 2023: 55.9%). 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 the 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.

Contingent Liabilities

As at 30 June 2024, the Group had contingent liabilities of approximately HK$59.0 million (31 December 2023: approximately HK$54.0 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 30 June 2024, the Group had certain property, plant and equipment and right-of-use assets with an aggregate net carrying value of approximately HK$210.5 million (31 December 2023: HK$218.1 million) pledged to secure the bank facilities granted to the Group.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed herein, for the six months ended 30 June 2024, the Group did not have any material acquisitions and disposals of subsidiaries, associates, joint ventures, significant investments nor capital commitment. There was no plan for material investments or additions of capital assets as at the date of this announcement.

HUMAN RESOURCES

The Group had approximately 6,200 employees as at 30 June 2024 (31 December 2023: approximately 6,300). 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 to 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. There were no outstanding share options under the Pre-IPO Share Option Scheme as at 30 June 2024. No share options were granted under the Post-IPO Share Option Scheme from the date of Listing and up to 30 June 2024.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2024 and up to the date of this announcement.

AUDIT COMMITTEE REVIEW AND REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed with the management of the Company (the "Management") the accounting principles and practices adopted by the Group and discussed with the Management regarding the risk management and internal controls systems and financial reporting matters, including a review of the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2024.

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2024 as set out in this announcement has also been reviewed by the Group's external auditor, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Hong Kong Institute of Certified Public Accountants.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2024.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors, they have confirmed their compliance with the required standards as set out in the Model Code throughout the six months ended 30 June 2024.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.taihing.com). The interim report of the Company for the six months ended 30 June 2024 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 Wing On
Chairman

Hong Kong, 22 August 2024

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