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HOP HING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 47)

CONNECTED TRANSACTION

Transfer of Sale Shares and Assignment of Shareholder's Loan

On 30 August 2006, the Vendor, an indirect wholly owned subsidiary of the Company, entered into the Agreement with the Purchaser. Under the Agreement, the Vendor agreed to transfer the Sale Shares and assign the Shareholder's Loan to the Purchaser for the Consideration, which is paid in cash upon Completion. The Consideration is arrived at after arm's length negotiations between the parties with reference to the unaudited consolidated net asset value of Able Mark, the Shareholder's Loan, and the surplus of the appraised value of the major assets of the wholly-owned subsidiary of Able Mark over their net book value. Completion takes place immediately after the signing of the Agreement on 30 August 2006.

Listing Rules Implications

The Transaction is a connected transaction of the Company under the Listing Rules. Pursuant to Rule 14A.32 of the Listing Rules, the Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the Company's independent shareholders' approval requirements.

The Directors (including the independent non-executive Directors) consider that the terms of the Agreement are on normal commercial terms which are fair and reasonable so far as the Company and the independent shareholders of the Company are concerned and that the Transaction will benefit and is in the best interest of the Company and the Shareholders as a whole.

Recent Increase in Share Price

The Directors have noted the recent increase in the price of the Shares and wish to state that the Board is not aware of any reasons for such increase in the price.

THE AGREEMENT

Parties:

Vendor: Hop Hing Oil (Holdings) Limited which is an investment holding company and an indirect wholly-owned subsidiary of the Company.

Purchaser: Hung's Investments Limited which is an investment holding company and is an associate of a non-executive Director.

Consideration

The Consideration for the Sale Shares and the Shareholder's Loan is HK\$2,584,666. It is paid in cash by the Purchaser upon Completion. It is arrived at after arm's length negotiations between the parties with reference to the unaudited consolidated net asset value of Able Mark (HK\$2), the Shareholder's Loan as at the Completion date, and the surplus of the appraised value (HK\$2,580,000) as at 25 May 2006 of the major assets of the wholly-owned subsidiary of Able Mark, i.e. the Debentures, over the net book value of those assets (HK\$490,000) as at 30 June 2006. The Directors (including the independent non-executive Directors) consider that the consideration is fair and reasonable insofar as the Company and the independent shareholders of the Company are concerned.

Completion

Completion takes place immediately after the signing of the Agreement on 30 August 2006. Upon Completion, Able Mark becomes a subsidiary of the Purchaser.

Information on Able Mark

Able Mark is an investment holding company. The principal activity of the wholly-owned subsidiary of Able Mark is the holding of the Debentures, which were valued at HK\$2.58 million in aggregate by RHL Appraisal Ltd., an independent valuer, as at 25 May 2006 adopting the sales comparison approach based on the fair market value of the Debentures. The interest in the wholly-owned subsidiary mentioned above is the major asset of Able Mark. Apart from such interest, the only other asset held by Able Mark was prepayment of business registration fees. For each of the years ended 31 December 2004 and 2005, Able Mark incurred a net loss of HK\$2,705. There were no taxation and extraordinary items in the two financial years concerned.

REASONS FOR ENTERING INTO THE AGREEMENT

The Group is principally engaged in the extraction, refining, bottling, packaging and distribution of edible oils.

The Transaction provides the Company with an opportunity to dispose of certain assets which are not relevant to the operation of core business of the Company at market value.

After deducting the consolidated net asset value of Able Mark and the Shareholder's Loan, the Transaction will generate an expected gain in the amount of HK\$2,090,000 for the Company. All sale proceeds of the Transaction will be used as working capital of the Vendor.

The Directors (including the independent non-executive Directors) consider that the terms of the Agreement are on normal commercial terms which are fair and reasonable so far as the Company and the independent shareholders of the Company are concerned and that the Transaction will benefit and is in the best interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Purchaser is a connected person of the Company in that the entire issued share capital of the Purchaser is held by a trustee of a discretionary trust whose discretionary beneficiaries include associates of Mr. Hung Hak Hip, Peter, a non-executive Director of the Company. The Vendor is an indirect wholly-owned subsidiary of the Company. Accordingly, the Transaction is a connected transaction of the Company under the Listing Rules. As the Agreement is entered into on normal commercial terms and each of the applicable percentage ratios (other than the profits ratio) as defined under Rule 14.07 of the Listing Rules is less than 2.5%, pursuant to Rule 14A.32 of the Listing Rules, the Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the Company's independent shareholders' approval requirements.

RECENT INCREASE IN SHARE PRICE

The following statement is made at the request of the Stock Exchange:-

The Directors have noted the recent increase in the price of the Shares and wish to state that the Board is not aware of any reasons for such increase in the price.

Save as disclosed above, the Directors also confirm that at present there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors individually and jointly accept responsibility for the accuracy of the above statement.

DEFINITIONS

“Able Mark”	Able Mark (HK) Limited, a company incorporated in Hong Kong with limited liability, which was an indirect wholly-owned subsidiary of the Company prior to Completion
“Agreement”	the sale and purchase agreement dated 30 August 2006 entered into between the Vendor and the Purchaser in relation to the Transaction
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Company”	Hop Hing Holdings Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the main board of the Stock Exchange
“Completion”	the completion of the Transaction as contemplated in the Agreement
“connected person”	has the meaning ascribed to it in the Listing Rules
“Consideration”	the consideration of HK\$2,584,666 for the transfer of the Sale Shares and the assignment of the Shareholder’s Loan
“Debentures”	debentures in a golf club and in a yacht club in Hong Kong
“Director(s)”	the director(s) of the Company
“Group”	The Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Hung’s Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an associate of a non-executive Director of the Company
“Sale Shares”	12,896 ordinary shares of HK\$1.00 each in the issued ordinary share capital of Able Mark, representing the entire issued ordinary share capital of Able Mark
“Shareholder’s Loan”	the shareholder’s loan in the sum of HK\$494,664 outstanding and owing as at the completion date from Able Mark to the Vendor
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the ordinary share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the transaction contemplated under the Agreement
“Vendor”	Hop Hing Oil (Holdings) Limited, an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

By Order of the Board
WONG KWOK YING
Executive Director and Company Secretary

Hong Kong, 30 August 2006

As at the date of this announcement, the executive directors of the Company are Mr. Wong Kwok Ying and Ms. Lam Fung Ming, Tammy. The non-executive directors of the Company are Mr. Hung Hak Hip, Peter, Ms. Hung Chiu Yee and Mr. Lee Pak Wing. The independent non-executive directors of the Company are Dr. Wong Yu Hong, Philip, Mr. Sze Tsai To, Robert, Mr. Cheung Wing Yui, Edward and Mr. Seto Gin Chung, John.

“Please also refer to the published version of this announcement in China Daily.”