



HOP HING GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 47)

TERMINATION OF THE JOINT VENTURE AGREEMENT

The Board announces that, as HHHL does not intend to continue with the Joint Venture Agreement on its existing terms after 30 June 2009 and no agreement could be reached in recent discussions between Lam Soon and HHHL to revise the terms of the Joint Venture Agreement, HHHL, pursuant to the terms of the Joint Venture Agreement, served a notice of termination on Lam Soon on 27 June 2008 to terminate the Joint Venture Agreement with effect from 1 July 2009.

As the termination, if it eventually occurs, will not take place until 1 July 2009, the Board is not in a position, at this stage, to estimate the effect of the termination of the Joint Venture Agreement on the Group. However, the Directors believe that the termination of the Joint Venture Agreement would allow the Group to carry out its edible oils, edible fats and shortenings businesses in Hong Kong and Macau according to its own business strategies.

A. Background

Pursuant to the Joint Venture Agreement, the sale of the Group's edible oil products with individual packaging of 150 kilograms or less and edible fats and shortenings products (in either case for human consumption) in Hong Kong and Macau is carried out by Evergreen. The Joint Venture Agreement governing Evergreen is for a term of 15 years from 1 July 1994 and thereafter continues for further periods of 15 years (each a "15-year Period"), unless and until terminated by any party to the Joint Venture Agreement by them giving not less than 12 months' notice prior to the expiry of any one 15-year Period. The first 15-year Period (which is also the current 15-year Period) will end on 30 June 2009.

B. Termination of Joint Venture Agreement

The Board announces that, as HHHL does not intend to continue with the Joint Venture Agreement on its existing terms after 30 June 2009 and no agreement could be reached in recent discussions between Lam Soon and HHHL to revise the terms of the Joint Venture Agreement, HHHL, pursuant to the terms of the Joint Venture Agreement, served a notice of termination on Lam Soon on 27 June 2008 to terminate the Joint Venture Agreement with effect from 1 July 2009.

The service of the notice of termination shall not preclude the Group from having future discussions with Lam Soon on both the Joint Venture Agreement and Evergreen. In the event that an agreement on proposed revised terms can be reached with Lam Soon on or before 30 June 2009, the Joint Venture Agreement may not terminate with effect from 1 July 2009 and an appropriate announcement reflecting this would be made in due course. However, there is no guarantee that any agreement with Lam Soon on both the Joint Venture Agreement and Evergreen will be reached in the future.

In the event that no further agreement in relation to the Joint Venture Agreement is reached with Lam Soon on or before 30 June 2009, the Joint Venture Agreement will be terminated with effect from 1 July 2009 and the marketing and distribution of the Group's edible oils, edible fats and shortenings products which are currently undertaken by Evergreen will then be undertaken by the Group.

As the termination, if it eventually occurs, will not take place until 1 July 2009, the Board is not in a position, at this stage, to estimate the effect of the termination of the Joint Venture Agreement on the Group. However, the Directors believe that the termination of the Joint Venture Agreement would allow the Group to carry out its edible oils, edible fats and shortenings businesses in Hong Kong and Macau according to its own business strategies.

C. Definitions

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Hop Hing Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company

“Evergreen”	Evergreen Oils & Fats Limited, a company incorporated in the Cayman Islands and principally engaged in the business of warehousing, marketing and selling edible oils with individual packaging of 150 kilograms or less and edible fats and shortenings (in either case for human consumption) in Hong Kong and Macau, which is owned as to 50% by the Group and 50% by Lam Soon Group
"Group"	the Company and its subsidiaries
"HHHL"	Hop Hing Holdings Limited, a company incorporated in Bermuda with limited liability, and a direct wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Venture Agreement”	an agreement in respect of Evergreen dated 25 June 1994, as amended by a supplemental agreement dated 25 June 1994 and a second supplemental agreement dated 20 February 2002 (and together with all those agreements specified as supplemental thereto) and entered into between (1) HHHL and one of its subsidiaries, Lawshun Holdings Limited and (2) Lam Soon and one of its subsidiaries, Lam Soon Edible Oils Company Limited
“Lam Soon”	Lam Soon Food Industries Limited, a company incorporated in Bermuda with limited liability
“Lam Soon Group”	Lam Soon and its subsidiaries
"Macau"	the Macau Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

By order of the Board
Wong Kwok Ying

Executive Director and Company Secretary

Hong Kong, 30 June 2008

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