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HOP HING GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 47)

CONTINUING CONNECTED TRANSACTIONS TENANCY AGREEMENTS

On 21 September 2009, HHOF, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreements with Wytak, for the leasing of the First Premises and the Second Premises, both for a term of three years from 1 August 2009 to 31 July 2012.

Since Wytak is a connected person of the Company, the Tenancy Agreements and all transactions contemplated thereunder with Wytak constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules. As the percentage ratio for the consideration under the Tenancy Agreements calculated pursuant to Rule 14.07 of the Listing Rules is more than 2.5% but less than 25% and the annual consideration payable under the Tenancy Agreements is less than HK\$10 million, the transactions under the Tenancy Agreements are only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but are exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE TENANCY AGREEMENTS

1. Tenancy Agreement of the First Premises

Date of agreement:	21 September 2009
Parties:	Wytak, the landlord HHOF, the tenant
Premises leased:	the whole of the First Premises

Term: Three years from 1 August 2009 to 31 July 2012 (both days inclusive)

Rent-free Period: Two months from 1 August 2009 to 30 September 2009 (both days inclusive)

Rental Deposit: HK\$52,095

Monthly Rent: HK\$17,365 (inclusive of government rent, rates and short term waiver fee) for the first two years. The monthly rent payable during the third year shall be determined by reference to the then market rent provided that such monthly rent shall not be less than HK\$17,365 nor exceed HK\$19,101.50 (being 110% of the current monthly rent). The monthly rent is payable in advance.

2. Tenancy Agreement of the Second Premises

Date of agreement: 21 September 2009

Parties: Wytak, the landlord
HHOF, the tenant

Premises leased: the whole of the Second Premises

Term: Three years from 1 August 2009 to 31 July 2012 (both days inclusive)

Rent-free Period: Two months from 1 August 2009 to 30 September 2009 (both days inclusive)

Rental Deposit: HK\$984,705

Monthly Rent: HK\$328,235 (inclusive of government rent, rates and charges in respect of air-conditioning consumed or used at or in relation to the Second Premises but exclusive of management charge) for the first two years. The monthly rent payable during the third year shall be determined by reference to the then market rent provided that such monthly rent shall not be less than HK\$328,235 nor exceed HK\$361,058.50 (being 110% of the current monthly rent). The monthly rent is payable in advance.

REASON FOR THE TENANCY AGREEMENTS

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

Wytak holds industrial properties and land sites in Hong Kong. Pursuant to the Old Tenancy Agreements which constituted continuing connected transactions of the Group under the Listing Rules and were disclosed in the announcement of HHHL dated 8 May 2006, the Group leased the First Premises and the Second Premises from Wytak, both for a term of three years from 29 April 2006 to 28 April 2009. The monthly rental for the First Premises and the Second Premises for the third year under the Old Tenancy Agreements were HK\$15,070 and HK\$306,020 respectively. After the Old Tenancy Agreements expired on 28 April 2009, the Group continued leasing the First Premises and the Second Premises on a monthly basis for the period from 29 April 2009 to 31 July 2009 (the “**Monthly Tenancies**”) on the same terms of the Old Tenancy Agreements and the monthly rental for the First Premises and Second Premises in respect of the Monthly Tenancies remained to be HK\$15,070 and HK\$306,020 respectively. Each of the applicable percentage ratios (other than the profits ratio) calculated pursuant to Rule 14.07 of the Listing Rules for the Monthly Tenancies is more than 0.1% but less than 2.5% and the total consideration is less than HK\$1 million. During the period of the Monthly Tenancies, the Group and Wytak actively engaged in discussions with a view to agree on the terms for continuing the lease of the First Premises and the Second Premises. On 21 September 2009, the Group entered into the Tenancy Agreements for the First Premises and the Second Premises.

As the Group currently occupies the First Premises and the Second Premises for its own use, the Tenancy Agreements facilitate the continuation of such occupation.

The terms and conditions of the transactions under the Tenancy Agreements have been negotiated on an arm's length basis and on normal commercial terms. The Directors (including the independent non-executive Directors) consider that each of the above transactions is fair and reasonable, and is in the interests of the Company and its shareholders as a whole.

HISTORICAL RENT

The aggregate rental amounts paid by the Group to Wytak under the Old Tenancy Agreements and the Monthly Tenancies amounted to approximately HK\$2.3 million for the period from 29 April 2006 to 31 December 2006, HK\$3.5 million for the year ended 31 December 2007, HK\$3.7 million for the year ended 31 December 2008 and HK\$2.2 million for the period from 1 January 2009 to 31 July 2009 respectively.

ANNUAL RENTAL

The aggregate annual rental amounts payable by the Group to Wytak during the first two years of the term of the Tenancy Agreements amount to approximately HK\$4.1 million (inclusive of government rent, rates and short term waiver fee for the First Premises, and inclusive of government rent, rates and charges in respect of air-conditioning consumed

or used but exclusive of management charge for the Second Premises). On this basis, it is expected that the aggregate annual maximum rental amounts payable by the Group to Wytak under the Tenancy Agreements would be HK\$1,036,800, HK\$4,147,200, HK\$4,320,000 and HK\$2,661,120 for the period from 1 August 2009 to 31 December 2009, for each of the two years ending 31 December 2010 and 2011 and for the period from 1 January 2012 to 31 July 2012 respectively. The Directors (including the independent non-executive Directors) consider the annual caps are fair and reasonable, and is in the interests of the Company and its shareholders as a whole.

PRICING BASIS

In negotiating the rental payments under the Tenancy Agreements, the Board made reference to the current leasing market conditions, the market rental rates of comparable premises in the vicinity of the First Premises and the Second Premises and the rental under the Old Tenancy Agreements. DTZ Debenham Tie Leung Limited, an independent professional property valuer, has reviewed the monthly rental amounts payable under the Tenancy Agreements and the terms thereof and has formed the opinion that, given the prevailing market conditions, they are fair and reasonable.

The monthly rental payable during the third year of the Tenancy Agreements shall be subject to an adjustment as set out under the paragraph headed "The Tenancy Agreements" in this announcement. It is expected that such new monthly rental will not be increased by more than 10% of the current monthly rental under the Tenancy Agreements. Therefore, the annual cap for the third year of the Tenancy Agreements is set at 110% of the annual rental payable under the Tenancy Agreements.

LISTING RULES IMPLICATIONS

Wytak is a connected person of the Company in that the voting power at general meetings of Wytak is indirectly controlled by:

- (1) the trustee of a discretionary trust whose discretionary beneficiaries include associates of Mr. Hung Hak Hip, Peter, a non-executive Director; and
- (2) Mr. Hung Cheung Pui is the founder of two discretionary trusts, of which GZ Trust Corporation ("GZTC") is the trustee. GZTC is a substantial shareholder of the Company ("Substantial Shareholder") and therefore Wytak is an associate of the Substantial Shareholder.

Accordingly, the Tenancy Agreements and all transactions contemplated thereunder with Wytak constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules.

As the percentage ratio for the consideration under the Tenancy Agreements calculated pursuant to Rule 14.07 of the Listing Rules is more than 2.5% but less than 25% and the annual consideration payable under the Tenancy Agreements is less than HK\$10 million, the transactions under the Tenancy Agreements are only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but are

exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

As used in this announcement, the following words and phrases have the meanings assigned:

"associate"	has the meaning as defined in the Listing Rules
"Board"	the board of directors of the Company
"Company"	Hop Hing Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on the Stock Exchange
"Directors"	the directors of the Company
"First Premises"	Two pieces of land situated at Yuen Long, New Territories, Hong Kong more particularly described as All that Section A of Lot No. 1284 in Demarcation District No. 121 and All that the Remaining Portion of Lot No. 1278 in Demarcation District No.121
"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
"HHOF"	Hop Hing Oil Factory Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hop Hing Oil"	Hop Hing Oil Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Old Tenancy Agreements"	two tenancy agreements both dated 8 May 2006 entered into between Wytak and Hop Hing Oil for the leasing of the First Premises and the Second Premises for a term of three years from 29 April 2006 to 28 April 2009

"Second Premises"	19 units at 9 Ping Tong Street East, Tong Yan San Tsuen, Yuen Long, New Territories, Hong Kong.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tenancy Agreements"	two tenancy agreements both dated 21 September 2009 entered into between Wytak and HHOF for the leasing of the First Premises and the Second Premises
"Wytak"	Wytak Limited, a company incorporated in Hong Kong with limited liability

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

Hong Kong, 21 September 2009

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, *GBS*, Mr. Sze Tsai To, Robert, Mr. Cheung Wing Yui, Edward, Mr. Seto Gin Chung, John and Hon Shek Lai Him, Abraham, *SBS, JP*.