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HOP HING GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 47)

CONTINUING CONNECTED TRANSACTION (SUPPLEMENTAL SALES AGREEMENT)

Reference is made to the Announcement dated 18 February 2008 in relation to the Sales Agreement entered into between Panyu Hop Hing, an indirect wholly-owned subsidiary of the Company and Shenzhen You Rong, a connected person (as defined in the Listing Rules) of the Company, for the sale and purchase of the Products and Peach Blossom Products produced by the Group.

On 10 November 2009, Panyu Hop Hing and Shenzhen You Rong entered into the Supplemental Sales Agreement to revise, among other things, the maximum aggregate annual target sales value under the Sales Agreement for each of the two years ending 31 December 2009 and 2010 from RMB9,000,000 (equivalent to approximately HK\$9,600,000 as stated in the Announcement) to RMB7,200,000 (equivalent to approximately HK\$8,200,000).

The Transaction constitutes continuing connected transaction of the Company for the purposes of the Listing Rules. Particulars of the Transaction and certain other relevant information are given below in accordance with Listing Rule 14A.56. The terms and conditions of the Transaction have been negotiated on an arm's length basis. The Transaction is in the ordinary and usual course of business of the Company and on normal commercial terms. The Board (including the independent non-executive Directors) has considered that the terms of the Transaction are fair and reasonable, and the Transaction is in the interests of the Company and the Shareholders, taken as a whole.

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transaction, on an annual basis, is more than 2.5% but less than 25% and the total annual income receivable under the Transaction is less than HK\$10 million, the Transaction is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the Announcement.

Panyu Hop Hing and Shenzhen You Rong entered into the Sales Agreement on 6 February 2008 for a term of three years effective from 1 January 2008 and ending on 31 December 2010 (both dates inclusive). Panyu Hop Hing has been selling the Products and Peach Blossom Products produced by the Group to Shenzhen You Rong pursuant to the Sales Agreement since 1 January 2008.

SUPPLEMENTAL SALES AGREEMENT

Panyu Hop Hing and Shenzhen You Rong entered into the Supplemental Sales Agreement on 10 November 2009.

Summarized below are the principal terms of the Supplemental Sales Agreement:

1. Date

10 November 2009

2. Parties

Panyu Hop Hing
as seller

Shenzhen You Rong
as purchaser

3. Subject Matter

Panyu Hop Hing and Shenzhen You Rong have agreed to reduce the maximum aggregate annual target sales value under the Sales Agreement for each of the two years ending 31 December 2009 and 2010 from RMB9,000,000 (equivalent to approximately HK\$9,600,000 as stated in the Announcement) to RMB7,200,000 (equivalent to approximately HK\$8,200,000). The above reduced maximum aggregate annual target sales value has been determined on an arm's length basis with reference to the aggregate annual sales under the Sales Agreement for the year ended 31 December 2008 of approximately RMB7,100,000 (adopting the exchange rate of RMB1.00 = HK\$1.13 on 31 December 2008, equivalent to approximately HK\$8,000,000).

Save for the above-mentioned changes, there is no other material change to the terms and conditions of the Sales Agreement.

REVISED ANNUAL CAPS

The Revised Annual Caps will be RMB7,200,000 (equivalent to approximately HK\$8,200,000) for each of the two years ending 31 December 2009 and 2010.

For the year ended 31 December 2008, the aggregate annual sales under the Sales Agreement was approximately RMB7,100,000 (adopting the exchange rate of RMB1.00 = HK\$1.13 on 31 December 2008, equivalent to approximately HK\$8,000,000).

The Revised Annual Caps were determined after taking into account:

- (a) the aggregate sales under the Sales Agreement during the period commencing from 1 January 2009 and ending on 31 October 2009 (both dates inclusive);
- (b) the above reduced maximum aggregate annual target sales value for each of the two years ending 31 December 2009 and 2010; and
- (c) the current market conditions.

REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL SALES AGREEMENT

The reasons for and benefits of the Sales Agreement as set out in the Announcement are equally applicable to the Supplemental Sales Agreement. The reduction of the maximum aggregate annual target sales value under the Sales Agreement for each of the two years ending 31 December 2009 and 2010 is an adjustment in response to the relevant recent past sales and current market conditions.

The terms and conditions of the Transaction have been negotiated on an arm's length basis. The Transaction is in the ordinary and usual course of business of the Company and on normal commercial terms.

The Board (including the independent non-executive Directors) has considered that the terms of the Transaction are fair and reasonable, and the Transaction is in the interests of the Company and the Shareholders, taken as a whole.

LISTING RULES IMPLICATIONS

As at the date hereof, the voting power at general meetings of Shenzhen You Rong was indirectly controlled by the trustee of a discretionary trust whose discretionary beneficiaries included associates of Mr. Hung Hak Hip, Peter, a non-executive director of the Company. Shenzhen You Rong is therefore an associate of Mr. Hung Hak Hip, Peter and constitutes a connected person of the Company under the Listing Rules.

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transaction, on an annual basis, is more than 2.5% but less than 25% and the total annual income receivable under the Transaction is less than HK\$10 million, the Transaction is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

INFORMATION RELATING TO THE GROUP / PANYU HOP HING / SHENZHEN YOU RONG

The Group is principally engaged in the extraction, refining, blending, bottling, packaging and distribution of edible oils and their ancillary activities. Panyu Hop Hing is principally engaged in the extraction, refining, blending, bottling, packaging and distribution of edible oils in the PRC. Shenzhen You Rong is principally engaged in operating supermarket chains in the PRC.

DEFINITIONS

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

“Announcement”	the announcement dated 18 February 2008 and issued by HHHH in relation to the Sales Agreement
“Board”	the board of Directors
“connected person(s)”	has the meaning given to it by the Listing Rules
“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

“Group”	the Company and its subsidiaries
“HHHL”	Hop Hing Holdings Limited, a company incorporated in Bermuda with limited liability, the listing of which shares on the Stock Exchange was withdrawn at 4:00 p.m. on 28 April 2008
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Panyu Hop Hing”	Panyu Hop Hing Oils & Fats Co. Ltd. (番禺合興油脂有限公司), a wholly foreign-owned enterprise established in the PRC on 26 December 1995, being an indirect wholly-owned subsidiary of the Company
“Peach Blossom Products”	the “Peach Blossom (紅桃)” brand of edible oil products
“PRC”	People’s Republic of China
“Products”	edible oil products under various brands, including but not limited to, the “Lion and Globe (獅球嘜)”, “Camel (駱駝嘜)”, “Kitchen King (廚寶)”, “SS” and “IGA (愛家愛)” brands
“Revised Annual Caps”	the revised annual caps for the Transaction for each of the two years ending 31 December 2009 and 31 December 2010.
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Agreement”	the agreement dated 6 February 2008 and entered into between Panyu Hop Hing and Shenzhen You Rong in respect of the sale and purchase of the Products and Peach Blossom Products
“Shareholders”	shareholders of the Company
“Shenzhen You Rong”	Shenzhen You Rong Retail Co. Ltd. (深圳市有榮配銷有限公司), a limited liability company established in the PRC on 18 March 1997

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Sales Agreement”	the agreement dated 10 November 2009 and entered into between Panyu Hop Hing & Shenzhen You Rong to supplement the Sales Agreement
“Transaction”	the sale and purchase of the Products and Peach Blossom Products under the Sales Agreement, as supplemented by the Supplemental Sales Agreement

Unless otherwise defined, an exchange rate of RMB1.00 = HK\$1.14 is adopted in this announcement, for illustration purposes only.

By Order of the Board
Hop Hing Group Holdings Limited
Wong Kwok Ying
Executive Director and Company Secretary

Hong Kong, 10 November 2009

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