HOP HING GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 47)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2008

The Board of Directors (the "Board") of Hop Hing Group Holdings Limited (the "Company") herein present their unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2008, together with the comparative amounts.

These interim financial results have not been audited, but have been reviewed by the Company's audit committee and the Company's auditors.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Unaudited For the six months ended 30 June 2008 HK$'000	2007 HK$'000
TURNOVER	4	523,228	368,306
Direct cost of stocks sold and services provided		(401,065)	(275,218)
Other production and service costs (including depreciation and amortisation of HK$9,969,000 (2007: HK$11,302,000))		(31,300)	(30,288)
Selling and distribution costs		(47,080)	(38,809)
General and administrative expenses		(22,098)	(17,220)
PROFIT FROM OPERATING ACTIVITIES	5	21,685	6,771
Finance costs, net	6	(6,247)	(5,209)
Share of losses of associates		(37)	-
PROFIT BEFORE TAX		15,401	1,562
Tax	7	(2,902)	(1,333)
PROFIT FOR THE PERIOD		12,499	229
ATTRIBUTABLE TO:			
Equity holders of the Company		12,118	449
Minority interests		381	(220)
		12,499	229
EARNINGS PER SHARE	8		
- Basic		HK2.71 cents	HK0.11 cent
- Diluted		HK2.48 cents	HK0.10 cent

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	Unaudited 30 June 2008 HK$'000	Audited 31 December 2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	257,818	255,792
Prepaid land lease payments		28,115	26,695
Trademarks		123,766	123,718
Interests in associates		(1,462)	(1,425)
Deferred tax assets		3,433	4,733
Total non-current assets		411,670	409,513
CURRENT ASSETS			
Stocks		220,122	139,351
Accounts receivable	10	101,807	109,082
Prepayments, deposits and other receivables		44,839	23,167
Pledged bank deposits		11,939	9,161
Cash and cash equivalents		36,198	33,573
Total current assets		414,905	314,334
CURRENT LIABILITIES			
Accounts payable	11	77,522	64,341
Bills payable		39,796	30,538
Other payables and accrued charges		55,360	53,094
Interest-bearing bank and other loans	12	191,361	147,968
Tax payable		1,832	505
Total current liabilities		365,871	296,446
NET CURRENT ASSETS		49,034	17,888
TOTAL ASSETS LESS CURRENT LIABILITIES		460,704	427,401
NON-CURRENT LIABILTIES			
Deferred tax liabilities		3,184	3,212
NET ASSETS		457,520	424,189
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital	13	49,267	43,586
Reserves		397,832	370,941
		447,099	414,527
Minority interests		10,421	9,662
Total equity		457,520	424,189

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. REORGANISATION AND BASIS OF PRESENTATION

The Company is a limited liability company incorporated in the Cayman Islands on 1 August 2007. On 25 April 2008, pursuant to a reorganisation (the "Reorganisation"), Hop Hing Holdings Limited ("HHHL"), the then ultimate holding company of its subsidiaries, became a wholly-owned subsidiary of the Company. The Company became the new holding company of the Group, comprising the Company, HHHL and its subsidiaries. Details of the Reorganisation have been set out in HHHL's scheme document dated 14 March 2008.

The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 29 April 2008.

The condensed consolidated interim financial statements have been prepared based on the principles of merger accounting as if the Reorganisation had been completed as at the beginning of the six months ended 30 June 2007. Under such accounting guideline, the Company's acquisition of the companies now comprising the Group on 25 April 2008 should be regarded as a business combination under common control as the Company and the companies now comprising the Group are all ultimately controlled by the same group of ultimate shareholders immediately before and after the Reorganisation.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" and other relevant HKASs and Interpretations, Hong Kong Financial Reporting Standards (collectively, the "HKFRSs") issued by the HKICPA and the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"). Save for those new HKFRSs adopted during the period as set out in note 3 below, the accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the preparation of the annual financial statements for the year ended 31 December 2007.

3. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued a number of new and revised HKFRSs that are effective for accounting periods commencing on or after 1 January 2008. The adoption of the following HKFRSs does not have any material effect on the financial statements of the Group:

HK(IFRIC)-Int 11	*HKFRS 2 – Group and Treasury Share Transactions*
HK(IFRIC)-Int 12	*Service Concession Arrangements*
HK(IFRIC)-Int 14	*HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

4. TURNOVER AND SEGMENT INFORMATION

The Group's primary segment is the edible oils and food related business segment. Since it is the only business segment of the Group, no further analysis thereof is presented.

Segment information is presented below in respect of the Group's geographical segment, which is regarded as the secondary segment.

	Unaudited For the six months ended 30 June					
	Hong Kong		Mainland China		Consolidated	
	2008 HK$'000	2007 HK$'000	2008 HK$'000	2007 HK$'000	2008 HK$'000	2007 HK$'000
Revenue from external customers	285,704	199,095	237,524	169,211	523,228	368,306

5. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging:

	Unaudited For the six months ended 30 June	
	2008 HK$'000	2007 HK$'000
Cost of stocks sold and services provided	401,065	275,218
Depreciation	9,638	10,959
Amortisation of prepaid land lease payments	331	343

6. FINANCE COSTS, NET

	Unaudited For the six months ended 30 June	
	2008 HK$'000	2007 HK$'000
Interest on bank borrowings	6,384	5,540
Interest on a loan from a related company	141	-
Less: Bank interest income	(278)	(331)
	6,247	5,209

7. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. Overseas taxes have been provided for at the applicable tax rates, if required.

	Unaudited For the six months ended 30 June 2008 HK$'000	2007 HK$'000
Tax in the income statement represents:		
Provision for Hong Kong profits tax	1,140	1,265
Provision for tax elsewhere	490	105
	1,630	1,370
Deferred tax	1,272	(37)
	2,902	1,333

8. EARNINGS PER SHARE

a. Basic earnings per share

The calculation of the basic earnings per share for the period is based on the consolidated profit attributable to equity holders of the Company of HK$12,118,000 (2007: HK$449,000) and the weighted average of 446,486,340 (2007: 419,946,334) shares in issue during the period.

b. Diluted earnings per share

The calculation of the diluted earnings per share for the period is based on the consolidated profit attributable to equity holders of the Company of HK$12,118,000 (2007: HK$449,000) and the weighted average of 488,212,953 (2007: 457,738,821) shares in issue during the period after adjusting for the effect of all dilutive potential ordinary shares of 41,726,613 (2007: 37,792,487) shares for the six months ended 30 June 2008, calculated as follows:

	Unaudited For the six months ended 30 June 2008 HK$'000	2007 HK$'000
Consolidated profit attributable to equity holders of the Company	12,118	449

	Number of shares 2008	2007
Weighted average number of shares in calculating diluted earnings per share:		
Weighted average of ordinary shares for the purpose of basic earnings per share	446,486,340	419,946,334
Effect of dilution:		
Share options	-	5,799,925
Warrants	41,726,613	31,992,562
	488,212,953	457,738,821

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2008, the Group acquired items of property, plant and equipment with a cost of HK$1,485,000 (2007: HK$852,000). Items of property, plant and equipment with a net book value of HK$587,000 (2007: HK$53,000) were disposed of during the six months ended 30 June 2008.

10. ACCOUNTS RECEIVABLE

	Unaudited 30 June 2008 HK$'000	Audited 31 December 2007 HK$'000
Accounts receivable	117,356	122,984
Impairment	(15,549)	(13,902)
	101,807	109,082

An aged analysis of the accounts receivable as at the balance sheet date, based on payment due date and net of provisions, is as follows:

	Unaudited 30 June 2008 HK$'000	Audited 31 December 2007 HK$'000
Current (neither past due nor impaired)	75,476	87,475
Within 60 days and past due	19,895	18,541
Over 60 days and past due	6,436	3,066
	101,807	109,082

The Group's products are sold either on a cash on delivery basis, or on an open account basis ranging from 7 to 70 days of credit. Each customer has a maximum credit limit and overdue balances are regularly reviewed by the senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Accounts receivable are non-interest-bearing.

Included in the Group's accounts receivable are amounts totalling HK$9,622,000 (31 December 2007: HK$8,844,000) due from the Group's jointly-controlled entities which are repayable on credit terms comparable to those offered to other unrelated customers of the Group.

At 30 June 2008, certain accounts receivable were discounted to a bank for cash advances of HK$17,981,000 (31 December 2007: Nil) which have been disclosed as "Interest-bearing bank loans on factored accounts receivable" in note 12.

11. ACCOUNTS PAYABLE

An aged analysis of accounts payable as at the balance sheet date, based on the payment due date, is as follows:

	Unaudited 30 June 2008 HK$'000	Audited 31 December 2007 HK$'000
Current and less than 60 days	72,038	63,147
Over 60 days	5,484	1,194
	77,522	64,341

The accounts payable are non-interest-bearing and are normally settled within credit terms of 7 to 60 days.

Included in the Group's accounts payable are amounts of HK$25,036,000 (31 December 2007: HK$6,077,000) due to certain companies associated with another venturer of the Group's jointly-controlled entities which are payable on credit terms comparable to those offered by other unrelated suppliers of the Group.

12. INTEREST-BEARING BANK AND OTHER LOANS

	Unaudited 30 June 2008 HK$'000	Audited 31 December 2007 HK$'000
Interest-bearing bank loans		
Unsecured	64,289	48,193
Secured (Note a)	97,727	99,775
	162,016	147,968
Interest-bearing bank loans on factored accounts receivable	17,981	-
Loan from a related company (Note b)	11,364	-
	191,361	147,968

Notes:

a. Secured interest-bearing bank loans included certain of the Group's bank loans of approximately HK$96,591,000 (31 December 2007: HK$93,358,000) in Mainland China which were borrowed by a PRC subsidiary of the Group and secured on certain property, plant and equipment and prepaid land lease payments of certain PRC subsidiaries and have no recourse to other members of the Group. Bank loans amounting to HK$5,682,000 (31 December 2007: HK$5,340,000) are also guaranteed by corporate guarantees given by an independent third party.

b. The loan is unsecured, interest-bearing at the prevailing market rate and repayable within one year.

13. SHARE CAPITAL

a. During the period ended 30 June 2008, 25,920 shares of HHHL of HK$0.10 each were issued for cash at a subscription price of HK$0.25 per share, pursuant to the exercise of HHHL's warrants for a total cash consideration, before expenses, of approximately HK$7,000.

b. During the period ended 30 June 2008, all the 435,887,212 ordinary shares of HHHL outstanding as at 25 April 2008 were cancelled and extinguished and the issued share capital of HHHL was reduced accordingly. On 25 April 2008, HHHL allotted and issued 1,000 new ordinary shares of HK$0.10 each, credited as fully paid, to the Company and became a wholly-owned subsidiary of the Company.

c. In consideration of the cancellation and extinguishment of the 435,887,212 ordinary shares of HHHL outstanding as at 25 April 2008, the holders of the ordinary shares of HHHL received the ordinary shares of the Company issued and credited as fully paid, on the basis of one ordinary share of the Company for every one ordinary share of HHHL then held.

d. During the period ended 30 June 2008, 56,779,201 shares of the Company of HK$0.10 each were issued for cash at a subscription price of HK$0.25 per share, pursuant to the exercise of the Company's warrants for a total cash consideration, before expenses, of approximately HK$14,195,000.

e. During the period ended 30 June 2007, 33,094 shares of HHHL of HK$0.10 each were issued for cash at a subscription price of HK$0.25 per share, pursuant to the exercise of HHHL's warrants for a total cash consideration, before expenses, of approximately HK$8,000.

f. During the period ended 30 June 2007, the subscription rights attaching to 4,091,130 share options of HHHL were exercised at a price of HK$0.1834 per share resulting in the issue of 4,091,130 shares of HHHL of HK$0.10 each for a total cash consideration, before expenses, of approximately HK$751,000.

14. PLEDGE OF ASSETS

As at 30 June 2008, certain prepaid land lease payments, certain leasehold land and buildings and certain plant and machinery of the Group with an aggregate carrying value of approximately HK$155,121,000 (31 December 2007: HK$153,438,000), certain accounts receivable and stocks of the Group of approximately HK$66,444,000 (31 December 2007: HK$53,148,000), and a cash deposit of the Group of approximately HK$11,939,000 (31 December 2007: HK$9,161,000) were pledged to banks to secure banking facilities granted to the Group.

BUSINESS REVIEW AND OUTLOOK

For the six months ended 30 June 2008, the profit attributable to equity holders of the Company was HK$12.1 million, as compared to the profit of HK$0.5 million for the same period in 2007. The basic earnings per share for the period was 2.71 HK cents (2007: 0.11 HK cent).

The profit from operating activities for the six months ended 30 June 2008 was HK$21.7 million, representing an increase of 219% over HK$6.8 million for the same period in 2007. Earnings before interest, tax, depreciation and amortization (EBITDA) for the period under review also increased by 75% from HK$18.1 million for the first half of 2007 to HK$31.6 million for the first 6 months in 2008.

Dividend

The Directors do not recommend payment of any interim dividend for the six months ended 30 June 2008 (2007: Nil).

Review of operation

In the first half of 2008, the edible oil market was continuously affected by the upsurge of raw material costs. After a non-stop increase over the last 12 to 18 months, the market prices of our major raw material costs went up by 80 – 120 percents when compared to the prices in early 2007 and reached their record high in the period under review. To minimize the adverse impact of such cost increases, the Group had to raise the selling prices of our products. Together with the Group's efficient operation in place, the Group was able to report a profit of HK$12.1 million for the six months period, which is the first time since 2001.

Hong Kong economy was booming in the first half of 2008. More and more people are willing to pay for quality healthy oil products which include Canola oil, Sunflower oil and Olive oil. The total market sales value of these three oil products, which the Group has always placed emphasis on, recorded double-digit percentage growth in each of the last 4 years. The Nielsen Edible Oil MarketTrack Supermarket Service data collected by The Nielsen Company (Hong Kong) Limited, one of the most reputable international research companies in Hong Kong, revealed that Lion & Globe Canola oil products continued to rank first in sales value in the Canola oil segment in the 12 months to June 2008. Placing resources on the right market segments contributes to the improved contribution recorded by the Group's Hong Kong edible oil segment report in the period under review.

In PRC, the Group continued to focus on the more profitable Southern China sales region. Although the raw material costs went up significantly, our efficient operation and appropriate selling strategies enabled our PRC edible oil segment to maintain its gross profit margin percentage. The first half of 2008 is the first six-month period in the last 7 years for which a positive profit before tax was recorded.

The scheme of arrangement to change the domicile of ultimate holding company of the Group from Bermuda to the Cayman Islands was approved by the shareholders of HHHL on 7 April 2008 and sanctioned by the Supreme Court of Bermuda on 11 April 2008. The Company became the ultimate holding company of the Group on 25 April 2008 and its shares were listed on the main board of the Stock Exchange on 29 April 2008.

As the Group does not intend to continue with the joint venture agreement (the "Joint Venture Agreement") with Lam Soon Food Industries Limited and one of its subsidiaries ("Lam Soon") on its existing terms after 30 June 2009, 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 explained in the Group's announcement on 30 June 2008, the service of the notice of termination does not preclude the Group from having further discussions with Lam Soon on the Joint Venture Agreement.

Financial Review

Equity

The number of issued shares of HK$0.10 each of the Company as at 30 June 2008 was 492,666,413 (the number of issued shares of HK$0.10 each of HHHL as at 31 December 2007: 435,861,292). During the period under review, 56,779,201 warrants of the Company were exercised for 56,779,201 shares of HK$0.10 each at a price of HK$0.25 per share.

At 1 January 2008, HHHL had outstanding 81,621,170 warrants carrying rights to subscribe for an aggregate of 81,621,170 new shares of HK$0.10 each in HHHL at an initial subscription price of HK$0.25 per share. During the period under review, 25,920 warrants of HHHL were exercised for 25,920 shares of HK$0.10 each at a price of HK$0.25 per share. On 25 April 2008, the warrantholders of HHHL received one warrant of the Company for every one warrant of HHHL then held.

Liquidity and gearing

As at 30 June 2008, the Group's Hong Kong bank borrowing was bank loans of HK$76.6 million. The Group's PRC bank borrowings as at the period end were bank loans and bills payable totalling HK$143.2 million, of which approximately HK$96.6 million were secured by assets of certain PRC subsidiaries of the Group and have no recourse to other members of the Group.

As at the balance sheet date, the Group's total bank loans amounted to HK$180.0 million (31 December 2007: HK$148.0 million), all of them were either repayable or subject to renewal within one year.

The Group's gearing ratio (expressed as a percentage of interest-bearing bank and other loans over equity attributable to equity holders of the Company) as at 30 June 2008 was 43% (31 December 2007: 36%). The increase in gearing ratio of the Group was mainly attributable to the increase in bank borrowings resulting from the increase in market prices of our raw material costs during the period.

The net interest expense for the period was HK$6.2 million (2007: HK$5.2 million). The increase in net interest expenses was mainly attributable to the increase in PRC interest rates.

The Group's funding policy is to finance the business operations with internally generated cash and bank facilities. The Group's bank borrowings are denominated in Hong Kong dollars and Renminbi. The Group continues to adopt the policy of hedging foreign currency liabilities with foreign currency assets.

Remuneration policies and share option scheme

Remuneration packages comprised salary and bonuses based on individual merits. The total remuneration paid to the employees (including pension costs and the directors' remuneration) of the Group in the period under review was HK$24 million (2007: HK$22 million). As at 30 June 2008, the Group had 419 full time and temporary employees (30 June 2007: 428).

Segmented information

In the period under review, the Group's edible oil business in Hong Kong continued to account for a major proportion of the Group's turnover.

Details of the segmented information are set out in note 4.

Pledge of assets

Details of the pledge of assets are set out in note 14.

Outlook

Fluctuation in market prices of edible oil costs will continue to be a major challenge that the Group has to meet with in the foreseeable future. Price revisions of edible oil products in PRC are subject to the approval of National Development and Reform Commission in PRC. The recent financial events in the United States also add uncertainty to the world economy.

With the Group's proven business strategies and efficient operation, the management has confidence to face up with the challenges lying ahead. The management will continue to explore opportunities to provide edible oil related services to our customers to improve our operational efficiency and to develop other edible oil related products. In addition, the Directors will act more proactively to try to diversify the Group's business to other related sectors so as to balance and enhance the overall financial performance of the Group to create value for shareholders.

Vote of Thanks

We would like to thank all of our customers, suppliers, business associates and bankers for their continued support and all members of our management team and staff for their hard work during the period under review.

CORPORATE GOVERNANCE

Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices and procedures. Both the Company and HHHL, one of the Company's wholly-owned subsidiaries, have adopted their codes on corporate governance (the "CG Code") based on the principles set out in the Code of Corporate Governance Practices contained in Appendix 14 of the Listing Rules.

None of the directors of the Company is aware of any information that would reasonably indicate that the Company and HHHL did not meet the applicable code provisions set out in the CG Code for any part of the period from 1 January 2008 to 30 June 2008 when their shares were listed on the main board of the Stock Exchange.

Model Code for Securities Transactions

The Company and HHHL have adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as its code of conduct of dealings in securities of the Company and HHHL by the directors respectively. The Model Code also applies to “relevant employees” as defined in the CG Code.

Based on specific enquiry of the Company’s directors, the directors confirmed that they complied with the required standard in the Model Code adopted by the Company and HHHL throughout the accounting period covered by the interim financial report when their shares were listed on the main board of the Stock Exchange.

PURCHASE, SALE OR REDEMPTION OF OWN LISTED SECURITIES

During the six months ended 30 June 2008, there were no purchases, sales or redemptions by the Company or any of its subsidiaries of the Company’s listed securities.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This result announcement is published on the Company’s website at www.hophing.com and the website of the Stock Exchange at www.hkexnews.hk. The interim report will be despatched to shareholders of the Company and made available at the aforesaid websites.

BOARD OF DIRECTORS

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

By Order of the Board
Hung Hak Hip, Peter
Chairman

Hong Kong, 24 September 2008