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## **HOP HING GROUP HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 47)**

### **PROFIT ALERT ANNOUNCEMENT**

The board of directors (the “**Board**”) of Hop Hing Group Holdings Limited (the “**Company**”) together with its subsidiaries, (the “**Group**”) makes this announcement pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”).

The Board wishes to inform the shareholders of and potential investors in the Company that, based on the preliminary review of the Group’s currently available unaudited consolidated management accounts for the 6 months ended 30 June 2015, the Group is expected to record an increase of not less than 30% in its consolidated profit attributable to the shareholders of the Company for the six months ended 30 June 2015 as compared to that for the first half of 2014.

Based on the information currently available to the Board, the expected increase in the consolidated profit attributable to the shareholders of the Company is mainly because:

1. Much of the provision for certain stores that did not meet internal profitability requirements and that would be closed in the near future was made in 2014. The management has been actively evaluating the performance of our stores since last year to further improve the quality of our store network and prepare for the future healthy growth of our Group. As a result, similar provision made in the Group’s consolidated financial statements for the first half of this year is less than that made in the corresponding period in 2014.
2. In the first half of 2014, the Group recorded a currency exchange loss as a result of the depreciation of the Renminbi in the relevant period. As the exchange rates of Renminbi were relatively stable in the period under review, no currency exchange loss was recorded in the first half of this year.

Despite the above positive factors, the business environment in which the Group operates was still challenging during the period under review. Signs of recovery of the Chinese economy and the consumption sentiment in the franchisee regions have yet to be seen. The moving of the high-end market players downstream intensifies the fierce competition in the mid-price and low-end markets and the resulted market consolidation and reformation of the catering industry continue. In addition, consumption pattern brought about by the influence of the internet is changing continuously. Apart from formulating appropriate sales and marketing strategies to operate in such a difficult and competitive environment, the management also has to devote much of their time to control the Group's costs and mitigate the impact of "four highs and one low", namely, high raw material, labour, rental and utility costs leading to low profitability. Hence, the management remains cautious and prudent with regard to the performance of the Group in 2015.

The information in this announcement is based on a preliminary review and assessment by the Company's management according to the currently available unaudited consolidated management accounts of the Group for the six months ended 30 June 2015 and the information available for the time being, which have neither been confirmed nor reviewed by the Company's auditors or audit committee of the Company. Details of the unaudited financial information of the Group shall be disclosed in the Company's interim results announcement for the six months ended 30 June 2015 which is expected to be published by the end of August 2015.

***Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.***

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

Hong Kong, 9 July 2015

*As at the date of this announcement, the executive directors of the Company are Mr. Hung Ming Kei, Marvin and Mr. Wong Kwok Ying. The non-executive directors of the Company are Mr. Hung Hak Hip, Peter (Chairman) and Ms. Lam Fung Ming, Tammy. The independent non-executive directors of the Company are Mr. Seto Gin Chung, John (Vice Chairman), Dr. Hon. Wong Yu Hong, Philip, GBS, Mr. Sze Tsai To, Robert, Mr. Cheung Wing Yui, Edward, BBS and Hon. Shek Lai Him, Abraham, GBS, JP.*