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HOP HING GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 47)

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that on 20 March 2015, it resolved to adopt the share award scheme (the “**Scheme**”) as a means to recognise the contribution of and provide incentives for the key management personnel including directors and senior management of the Group, consultants, experts, agents, representatives of the Group and employees of the Group. The Scheme shall be valid and effective for a period of 15 years commencing on the Adoption Date. The shares to be awarded under the Scheme will be acquired by the Trustee from the open market or new Shares may be allotted and issued to the Trustee under general mandates granted by Shareholders at general meetings from time to time out of cash contributed by the Group and be held in trust for the relevant Selected Participants until such Shares are vested with the relevant Selected Participants in accordance with the provisions of the Scheme.

Given that the Scheme does not involve the grant of options over any new Shares of the Company, it does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. No Shareholders’ approval is required to adopt the Scheme and this announcements is made on a voluntary basis.

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that on 20 March 2015, it resolved to adopt the Scheme, pursuant to which existing Shares will be purchased by the Trustee from the market or new Shares may be allotted and issued to the Trustee under general mandates granted by Shareholders at general meetings from time to time out of cash contributed by the Group and be held in trust for the relevant Selected Participants until such Shares are vested with the relevant Selected Participants in accordance with the provisions of the Scheme.

SUMMARY OF THE SCHEME RULES

(1) Purpose and Objective

The Directors believe that the future success of the Company is closely tied to the commitment and efforts of the Group's key management personnel including Directors and senior management, employed experts and core employees. The purpose and objective of the Scheme are (i) to recognise and motivate the contribution of the key management personnel, employed experts and core employees of the Group; (ii) to enhance the value of the Company and further align the interests of the Selected Participants directly to the shareholders of the Company through ownership of Shares; (iii) to help the Group to retain the Selected Participants in attaining the long-term business objectives of the Company; and (iv) attract suitable personnel for further development of the Group.

(2) Eligible Persons for the Scheme

Pursuant to the Scheme, the Board may, from time to time, in its absolute discretion, select the Selected Participant(s) after taking into various factors as they deem appropriate and determine the number of Award Shares to be awarded to each of the Selected Participants. The Selected Participants shall cover (i) key management personnel including the directors and senior management of the Group; (ii) consultants, experts, agents, representatives of the Group; and (iii) employees of the Group (whether full time or part time).

(3) Administration

The Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. The Board or any committee duly authorised by the Board may give instructions or notices to the Trustee on matters in connection with the operation and administration of the Scheme and the Trust. The Trustee shall hold the Shares and the income derived therefrom in accordance with the Scheme Rules and the terms of the Trust Deed.

(4) Maximum Limit

The Board shall not make any further award of Award Shares which will result in the aggregate number of Award Shares awarded by the Board throughout the duration of the Scheme to exceed 10% of the total number of issued Shares of the Company from time to time and shall not award more than 1% of the total number of issued Shares to each of the Selected Participants from time to time.

(5) Operation

The Board may, from time to time, in its absolute discretion select the Selected Participants after taking into various factors as they deem appropriate and determine the number of Award Shares to be awarded to each of the Selected Participants. Pursuant to the Scheme Rules, the Board shall cause to pay the Trustee the purchase price and the related expenses from the Group's resources for the Award Shares and the Trustee shall apply the purchase price to purchase from the market or subscribe for new Shares to fulfil all of the Award Shares to be awarded under the Scheme and shall hold such Shares until they are vested to the Selected Participants in accordance with the Scheme Rules and the Trust Deed. For the avoidance of doubt, all Shares purchased as aforesaid shall only be used for allocation to the Selected Participants in accordance with the Scheme Rules.

In case of allotting and issuing new Shares as the Award Shares, the Company shall comply with the relevant applicable provision of the Listing Rules. Applications for listing of and permissions to deal in new Award Shares will be made to the Stock Exchange when the Award is granted.

(6) Restrictions

No award shall be made to Selected Participants and no payment shall be made to the Trustee and no directions or recommendation to acquire Shares shall be given to the Trustee under the Scheme where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

(7) Vesting and Lapse

A Selected Participant shall be entitled to receive the Award Shares held by the Trustee in accordance with the vesting schedule as determined by the Board in its sole discretion. Unless the Scheme Rules provides otherwise, the Trustee shall transfer the relevant Award Shares to the relevant Selected Participant as soon as practicable after the Vesting Date if no event of lapse occurs on or before the Vesting Date.

In the event of change in control (as specified in The Codes on Takeovers and Mergers and Share Repurchases from time to time) of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, the Board shall have the discretion to decide whether the outstanding Award Shares shall vest or lapse on the date when such change in control event becomes or is declared unconditional.

If there occurs any special circumstances which may affect the eligibility of the Selected Participant or the vesting of Award Shares, the Award Shares shall be dealt with in accordance with the Scheme Rules. However, for those which are not currently covered therein, the Board shall, from time to time, have sole discretion to determine how such Award Shares should be handled.

(8) Award to Connected Person

In respect of any grant of the Award Shares to any Connected Person, the Company and that Connected Person shall comply with all applicable laws, rules and regulations including the Listing Rules. In the event that the Award Shares granted to a Connected Person are new Shares to be issued by the Company, the Company has to obtain the approval from independent Shareholders for the grant whenever necessary under the Listing Rules.

(9) Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust including but not limited to the Award Shares.

(10) Duration and Termination

The Scheme shall be effective from the Adoption Date and shall continue in full force and effect for a term of 15 years or such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant.

(11) Alteration of the Scheme

The Scheme may be altered in any respect from time to time by a resolution of the Board.

LISTING RULES IMPLICATIONS

Given that the Scheme does not involve the grant of options over any new Shares of the Company, it does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. No Shareholders' approval is required to adopt the Scheme and this announcement is made on a voluntary basis.

INFORMATION ON THE GROUP

The Company is a limited liability company incorporated in the Cayman Islands and its shares have been listed on the Stock Exchange. The Group is principally engaged in the operation of quick service restaurant chain business, primarily selling rice bowl under the brand name Yoshinoya (吉野家) and ice-cream under brand name Dairy Queen (冰雪皇后), in Northern China.

DEFINITIONS

“Adoption Date”	20 March 2015, being the date on which the board of directors of the Company adopted the Scheme
“Award Shares”	such Shares awarded pursuant to the Scheme, the maximum number of which shall not exceed 10% of the total issued capital of the Company from time to time and 1% of the total number of issued Shares of the Company from time to time to each of the Selected Participant
“Board”	the board of directors of the Company
“Company”	Hop Hing Group Holdings Limited, a company with limited liability incorporated in the Cayman Islands on 1 August 2007
“connected person”	has the meaning ascribed to it in the Listing Rules
“Connected Person”	any connected person of the Company who are selected for participation in the Share Award Scheme as a Selected Participant
“Director(s)”	the director(s) of the Company
“Eligible Persons”	any of the (i) key management personnel including the directors and senior management of the Group; (ii) consultants, experts, agents, representatives of the Group; and (iii) employees of the Group (whether full time or part time); however, no individual who is resident in a place where the grant, acceptance or vesting of an award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded from the term Eligible Person
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Scheme”	the share award scheme of the Company adopted by the Board whereby awards of Shares may be made to Selected Participants (such Shares being purchased by the Trustee) pursuant to the Trust Deed and the Scheme Rules
“Selected Participant(s)”	means Eligible Persons selected by the Board in accordance with the terms of the Scheme
“Scheme Rules”	the rules relating to the Scheme adopted by the Board
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Trust”	the trust constituted under the Trust Deed from which Award Shares may be granted to a Selected Participant in accordance with the Scheme Rules
“Trust Deed”	the trust deed to be entered into between the Company as settlor and the Trustee (as restated, supplemented and amended from time to time) as trustee in respect of the appointment of the Trustee for the administration of the Scheme
“Trustee”	Computershare Hong Kong Trustees Limited (which is independent of and not connected with the Company), being appointed by the Company for the administration of the Scheme, or any additional or replacement trustee(s)
“Trust Period”	shall have the meaning defined in the Trust Deed
“Vesting Date”	the date on which any Award Share held by the Trustee on behalf of a Selected Participant pursuant to the Scheme Rules is vested in such Selected Participant in accordance with the vesting schedule as set out in the award letter

“%”

per cent

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

Hong Kong, 20 March 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, Hon. Shek Lai Him, Abraham, GBS, JP. and Mr. Siu Wai Keung.

This announcement is made in English and Chinese. In case of any inconsistency, the English version shall prevail.