

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.

HIFOOD GROUP HOLDINGS CO., LIMITED

海福德集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 442)

PROFIT WARNING

This announcement is made by Hifood Group Holdings Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment by the management of the Group on the unaudited consolidated management accounts of the Group for the nine months ended 31 December 2017 (the “**Period**”), the loss attributable to owners of the parent for the Period (the “**Loss**”) is expected to be increased by approximately HK\$12.3 million as compared to the corresponding period in 2016. The primary reason for the deterioration of results performance was mainly due to a decline in the Group’s revenue by approximately HK\$32.0 million or 8% and gross profit by approximately HK\$21.2 million for the Period as compared to the same period in 2016. Based on the information currently available, the decline in revenue was primarily attributable to (i) the deterioration in the performance of the business in America and Europe during the Period, leading to a decrease in sales of the Group by approximately HK\$64.8 million and approximately HK\$18.7 million, respectively; (ii) an increase in the expenses incurred from the business operation and resources allocation process in particular in staff costs and compensation expenditures of approximately HK\$11.1 million; and (iii) an increase in finance costs by approximately HK\$3.5 million, all as compared to that in the corresponding period in 2016.

The information contained in this announcement is solely based on a preliminary assessment by the management of the Company with reference to the information currently available to the Group and based on the unaudited consolidated management accounts of the Group for the Period, which is yet to be finalised and has not yet been reviewed or audited by the Company’s auditors or the audit committee of the Company.

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

By order of the Board
Hifood Group Holdings Co., Limited
Nang Qi
Chairman

Hong Kong, 7 March 2018

As at the date of this announcement, the executive Directors are Mr. Nang Qi, Mr. Chen Peiliang, and Mr. Xue Qiang; and the independent non-executive Directors are Mr. Ting Tit Cheung, Mr. Chan Chi Kuen and Mr. Lo Chun Pong.