Hung Fook Tong Group Holdings Limited
鴻福堂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1446)

POSITIVE PROFIT ALERT

This announcement is made by Hung Fook Tong Group Holdings Limited (the "**Company**", together with its subsidiaries, the **"Group"**) pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Cap 571 of the Laws of Hong Kong).

The board of directors of the Company (the **"Board"**) wishes to inform shareholders of the Company (the **"Shareholders"**) and potential investors that based on the latest review of the unaudited management accounts (the **"Management Accounts"**) of the Group for the six months ended 30 June 2018 (**"1H2018"**) and the information currently available to the Group, the Group is expected to record a profit attributable to owners of the Company of around HK$4 million for 1H2018 as compared to that of HK$3 million for the six months ended 30 June 2017 (**"1H2017"**).

The Board believes that the increase in profit attributable to owners of the Company as compared to 1H2017 is mainly attributable to the increase in sales by around 10% in Hong Kong Retail segment, which is mainly due to:

(i) launching of certain popular new products during the period; and
(ii) prudent shop expansion strategy coupled with the closing down of underperforming shops which optimized the performance of existing retail shops.

Looking ahead, while the Board remains optimistic on the performance of the Group's ordinary business for the second half of 2018, the Group's operating results for that period will likely be adversely affected by certain one-off expenses incurred for the relocation of the production sites from Suzhou City, Jiangsu Province and Guanlan, Shenzhen to Kaiping City, Guangdong Province.

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the Management Accounts and the information currently available, which is subject to finalization and has not been reviewed or audited by the Company's auditors. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for 1H2018 which will be published before the end of August 2018 pursuant to the requirements of the Listing Rules.

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

On behalf of the Board of
Hung Fook Tong Group Holdings Limited
Tse Po Tat
Chariman and Executive Director

Hong Kong, 10 August 2018

As at the date of this announcement, the Board comprises Mr. Tse Po Tat, Ms. Wong Pui Chu, Mr. Kwan Wang Yung and Dr. Szeto Wing Fu as executive Directors, and Mr. Kiu Wai Ming, Professor Sin Yat Ming and Mr. Andrew Look as independent non-executive Directors.