HONG KONG RESOURCES HOLDINGS COMPANY LIMITED
香港資源控股有限公司

(Incorporated in Bermuda with limited liability
and carrying on business in Hong Kong as HKRH China Limited)
(Stock Code: 2882)

IMPROVEMENT IN LOSS POSITION

This announcement is made by Hong Kong Resources Holdings Company 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and the potential investors that, based on preliminary review of the unaudited consolidated management accounts of the Group for the year ended 30 June 2018, the Group is expected to record a decrease in consolidated loss attributable to owners of the Company by more than 50% for the year ended 30 June 2018 as compared to the financial year ended 30 June 2017. Such improvement was mainly due to (i) increase in turnover as a result of increment of shops and counters in Hong Kong and in Mainland China and an increase in overall same-store growth in Hong Kong and Macau as well as in Mainland China; (ii) exchange loss for the year ended 2017 turnaround to exchange gain for the year ended 2018; (iii) absence of recognition of impairment loss on investment in an associate and a film for the year ended 30 June 2018.

The Company is still in the process of finalizing the final results of the Group for the year ended 30 June 2018. Information contained in this announcement is only based on the Board's preliminary review of the unaudited consolidated management accounts of the Group for the year ended 30 June 2018. The final results of the Group for the year ended 30 June 2018 is scheduled to be announced on 26 September 2018.

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

By order of the Board
Hong Kong Resources Holdings Company Limited
Xu Zhigang
Executive Director & Chief Executive Officer

Hong Kong, 11 September 2018

As at the date hereof, the Board comprises Mr. Lam Kwok Hing, Wilfred, J.P., Mr. Xu Zhigang (Chief Executive Officer), Mr. Zhao Jianguo and Ms. Dai Wei as executive Directors and Dr. Loke Yu alias Loke Hoi Lam, Mr. Xu Xiaoping and Mr. Fan, Anthony Ren Da as independent non-executive Directors.