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 five months ended 31 August 2018 (the "**Period**"), the loss attributable to the owners of the parent for the Period (the "**Loss**") is expected to be increased by approximately HK$12.9 million as compared to the corresponding period in 2017. Based on the information currently available, the primary reason for the deterioration of results performance was mainly due to a decline in the Group's revenue by approximately HK$193.0 million or 75.6%, and gross profit by approximately HK$35.0 million or 80.3% for the Period as compared to the same period in 2017. The decrease in the Group's revenue was primarily due to significant decrease in sales in United States of America and Mainland China, on weaker-than-expected market condition under a turnaround in consumer interest in fine jewellery, and United States of America and Mainland China trade frictions and domestic financial deleveraging, respectively; accordingly, gross profit declined.

With reference to the unaudited consolidated management accounts of the Group for the Period and based on the information currently available, the Group is expected to record a significant increase in net loss for the six months ending 30 September 2018 as compared with that for the corresponding period in 2017.

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, 26 October 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.