



HUA YI COPPER HOLDINGS LIMITED

華藝礦業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 559)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Company expects that the audited net profit of the Company for the year ended 30 June 2007 may experience a decline compared with that for the same period of 2006.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Company wishes to announce that it expects that the audited consolidated net profit of the Company and its subsidiaries (the “**Group**”) for the year ended 30 June 2007 may experience a decline compared with that for the same period of 2006.

After preliminary calculations by the Company’s management based on the management accounts of the Group, it is expected that the Group may experience a decline in its audited consolidated net profit compared with that for the same period of 2006, because of various factors, including a decrease in gross profit margin due to significant increases of overheads and labour costs, a decrease in gain on derivative financial instruments which mainly comprised copper forward contracts, an increase in operating expenses due to higher depreciation expenses, additional staff costs and related expenses resulting from new operations in Kunshan and a significant increase in finance costs due to high interest expenses resulting from a higher level of working capital requirement arising from high copper prices. The amount of such anticipated decrease is subject to adjustment and confirmation by the Company’s auditors.

This profit warning announcement is only based on the preliminary calculations by the Company’s management according to the management accounts of the Group. Investors should read the Company’s results announcement for the year ended 30 June 2007 carefully, which is expected to be published before 26 October 2007.

Shareholders of the Group should exercise caution when dealing in the shares of the Company.

By order of the Board
Hua Yi Copper Holdings Limited
Chau Lai Him
Chairman and Managing Director

Hong Kong, 2 October 2007

As at the date of this announcement, the board of directors of Hua Yi comprises of Mr. Chau Lai Him, Mr. Chu Yuk Kuen, Mr. Chan Sio Keong and Mr. Chan Kwan Hung being the executive directors and Mr. Lee Kin Keung, Mr. Chung Kam Kwong, Mr. Lo Chao Ming and Dr. Peter Yue being the independent non-executive directors.

* for identification purposes only