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Huafeng Group Holdings Limited **華豐集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 364)

PROFIT WARNING

The announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that it is expected that the results of the Group for the year ended 30 September 2008 will record a deterioration as compared with last financial year, which is mainly due to losses of approximately USD5.6 million (equivalent to approximately HK\$43.7 million) arising from fair value changes on financial instruments in relation to the Contract.

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

The announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) of Huafeng Group Holdings Limited (the “Company”) wishes to inform shareholders of the Company (the “Shareholders”) and potential investors that it is expected that the results of the Company and its subsidiaries (the “Group”) for the year ended 30 September 2008 will record a deterioration as compared with last financial year, which is mainly due to losses of approximately USD5.6 million (equivalent to approximately HK\$43.7 million) arising from fair value changes on financial instruments in relation to the interest rates swap contract (the “Contract”). Nevertheless, the Board would like to advise that the losses arising from fair value changes on financial instruments did not have any impact on the Group’s cashflow and as at the date of this announcement, all booked losses arising from fair value changes on financial instruments have been fully recovered. The Board would like to further advise that based on the Group’s unaudited management account, the Group still recorded a profit in its results for the year ended 30 September 2008.

The information contained in this announcement is only a preliminary assessment by the management of the Company and is not based on any figures or information which has been audited or reviewed by the Company’s auditors. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company and its annual report for the year ended 30 September 2008 to be released in due course.

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

By Order of the Board of
Huafeng Group Holdings Limited
Cai Yangbo
Executive Director

Hong Kong, 17 November 2008

As at the date of this announcement, the executive directors of the Company are Mr. Cai Zhenrong, Mr. Cai Zhenyao, Mr. Cai Zhenying, Mr. Cai Yangbo and Mr. Choi Wing Toon. The independent non-executive directors of the Company are Ms. Choy So Yuk, Mr. Lawrence Gonzaga and Mr. Wong Siu Hong.