



# CHING HING (HOLDINGS) LIMITED

正興(集團)有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 692)**

## PROFIT WARNING

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

The Board would like to inform the shareholders of the Company that it is expected that the audited consolidated loss of the Group for the year ended 31 December 2008 may show a significant increase as compared with that of last year.

**Investors and shareholders of the Company are urged to exercise caution when dealing in the shares of the Company.**

The announcement is made by Ching Hing (Holdings) Limited (the “Company”) and 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 (“Listing Rules”).

After preliminary review by the Company’s management based on the information currently available, the board of directors of the Company (the “Board”) would like to inform the shareholders of the Company that it is expected that the audited consolidated loss of the Group for the year ended 31 December 2008 may show a significant increase as compared with that of last year. Such increase was mainly due to (i) the decrease in revenue and gross margin of the businesses of sale of fabrics and fabric processing as a result of the continued surge in raw material prices, appreciation of Renminbi and increasing labour costs, (ii) compensation paid to lay-off employee as a result of downsizing of the fabric processing operation and (iii) impairment loss on the Group’s property, plant and equipment.

The profit warning announcement is only based on preliminary unaudited management accounts of the Group for the year ended 31 December 2008. The detailed financial information will be published in the final results announcement and annual report of the Company by April 2009.

**Investors and shareholders of the Company are urged to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Yiu Kwok Ming, Tommy**  
*Executive Director*

Hong Kong, 3 February 2009

*As at the date hereof, the Board comprises four executive directors, namely Mr. Yiu Ching On (Chairman), Mr. Yiu Kwok Ming, Tommy (Managing Director), Mr. Leung Kwok Ip and Mr. Wong Wai Man, and three independent non-executive directors, namely Mr. Cheung Cho Yiu, Mr. Chan Kin Wah, Billy and Mr. Liang Jin An.*

*\* For identification purpose only*