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PROFIT WARNING

This announcement is made by Chinney Alliance Group 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”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that based on the information currently available to the Company, it is expected to record a significant decline in the profit of the Group for the year ended 31 December 2010 as compared to the profit for the corresponding year in 2009. The Board believes that the expected decline in the Group’s profit were primarily attributable to (i) unrealised losses on changes in fair value of listed equity investments in current year whereas unrealised gains of HK\$15.1 million were recorded in 2009; (ii) no significant surplus arising from revaluation of land and buildings for the Group’s use in current year whereas a surplus of HK\$8.6 million was recorded in 2009; and (iii) decrease in gross profit of the foundation piling division which was mainly due to increase in costs because of unexpected difficulties in site conditions.

The Company is still in the process of finalising the Group’s annual results for the year ended 31 December 2010. 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. Details of the financial information and performance of the Group will be disclosed when the annual results for the year ended 31 December 2010 are announced.

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

By Order of the Board
Yun-Sang Lo
Company Secretary

Hong Kong, 11 January 2011

At the date of this announcement, the Board comprises of eleven directors, of which five are executive directors, namely Dr. James Sai-Wing Wong, Mr. Sek-Kee Yu, Mr. Yuen-Keung Chan, Mr. Wai-Hong Ling and Mr. James Sing-Wai Wong; and two are non-executive directors, namely Mr. Herman Man-Hei Fung and Mr. Frank Kwok-Kit Chu; and four are independent non-executive directors, namely Mr. David Chung-Shing Wu, Mr. Sou-Tung Chan, Mr. Anthony Ren-Da Fan and Mr. Anthony Siu-Wing Lau.

** For identification purpose only*