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中国忠旺控股有限公司*

China Zhongwang Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01333)

PROFIT WARNING

This announcement is made by China Zhongwang Holdings 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 board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the Group’s unaudited management accounts, the consolidated profit attributable to the shareholders of the Company for the year ended 31 December 2010 is expected to decline by more than 25% as compared to the year ended 31 December 2009.

The reasons for the expected decline in the consolidated profit attributable to the shareholders for the year ended 31 December 2010 as set out above are primarily as follows:

1. As a result of the uncertainties caused by the anti-dumping and countervailing duties investigations currently conducted in the United States on certain aluminium extrusion products exported from China, the export sales of the Group to the United States for the year ended 31 December 2010 were lower than those for the year ended 31 December 2009; and
2. The Group reduced the production and sales of construction aluminium extrusion products in 2010 after the Group shifted its strategic focus onto the industrial aluminium extrusion product sector, which has resulted in possible asset impairment provisions for some machines and equipment principally used for the production of construction aluminium extrusion products and a decrease in the revenue generated from the sales of construction aluminium extrusion products for the year ended 31 December 2010 compared to the year ended 31 December 2009.

The Company is in the process of finalizing the consolidated financial results of the Group for the year ended 31 December 2010. The information contained in this announcement is only a preliminary assessment by the Company based on the unaudited management accounts and may be different from the audited financial information. Details of the consolidated financial results and performance of the Group will be disclosed in the annual results announcement for the year ended 31 December 2010 to be published in due course.

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

By order of the Board
China Zhongwang Holdings Limited
Liu Zhongtian
Chairman

Hong Kong, 21 January 2011

As at the date of this announcement, the Board consists of:

Executive Directors

Mr. Liu Zhongtian, Mr. Lu Changqing, Mr. Chen Yan, Ms. Zhong Hong and Mr. Gou Xihui

Independent Non-executive Directors

Mr. Wong Chun Wa, Mr. Wen Xianjun, Mr. Shi Ketong and Mr. Lo Wa Kei, Roy

* *For identification purpose only*