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LONKING 龍工
LONKING HOLDINGS LIMITED
中國龍工控股有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 3339)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the management accounts of the Group, it is expected that the unaudited consolidated net profit attributable to equity holders of the Group arising from normal operation for the year ended 31 December 2010 may experience a substantial increase as compared to that for the corresponding period in 2009.

The information contained in this announcement is only the preliminary estimates of the Company and has not been audited by its auditors. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Lonking Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) 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 of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that it is expected that the unaudited consolidated profit attributable to equity holders of the Group arising from normal operation for the year ended 31 December 2010 may experience a significant increase as compared to that for the corresponding period in 2009. Such increase was primarily attributable to a significant increase in the Group’s sales volume and overall gross margin as compared with the Group’s final results for the year ended 31 December 2009.

As the Company is still in the process of finalizing the consolidated results of the year ended 31 December 2010, the information contained in this announcement is only based on the preliminary assessment by the Company's management according to the unaudited management accounts of the Group which has not been confirmed nor audited by the Company's auditors. Shareholders of the Company and potential investors should read the Group's financial results announcement for the year ended 31 December 2010 carefully, which is expected to be published before the end of March 2011.

The information contained in this announcement is only the preliminary estimates of the Company and has not been audited by its auditors. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Lonking Holdings Limited
Li San Yim
Chairman

Hong Kong, 27 January 2011

As at the date of this announcement, Mr. Li San Yim, Mr. Qiu Debo, Mr. Luo Jianru, Dr. Mou Yan Qun, Mr. Chen Chao, Mr. Lin Zhong Ming, and Ms. Fang Deqin are the executive directors of the Company, Ms. Ngai Ngan Ying is the non-executive director of the Company and Mr. Pan Longqin, Dr. Qian Shizheng and Mr. Han Xuesong are the independent non-executive directors of the Company.

* *For identification purposes only*