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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

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

The Board wishes to inform the Shareholders and potential investors that it is expected that the Group may record a substantial decrease in profit for the six months ended 31 March, 2011 as compared with a profit recorded for the corresponding period in 2010.

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

This announcement is made by Huafeng Group Holdings Limited (the “Company”) 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 (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that it is expected that the Company and its subsidiaries (the “Group”) may record a substantial decrease in profit for the six months ended 31 March, 2011 as compared with a profit recorded for the corresponding period in 2010. Such substantial decrease in profit is mainly attributable to the increase of the depreciation of the new factory premises and the production facilities, the loss on written off of property, plant and equipment and the continuous increase in production costs.

The finalised Group’s unaudited financial results for the six months ended 31 March, 2011 is still under process. This profit warning announcement is only based on preliminary review of the unaudited consolidated accounts of the Group for the six months ended 31 March 2011 by the Board of the Company. The actual unaudited consolidated results of the Group for the six months ended 31 March 2011 have not yet been finalised.

Despite the above, the Board considers that the overall financial position and business operation of the Group remain strength and healthy.

Further details of the Group's performance will be disclosed as and when the interim results for the six months ended 31 March, 2011 is announced.

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

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

Hong Kong, 18 May 2011

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 Mr. Lawrence Gonzaga, Ms. Choy So Yuk, JP and Mr. Wong Siu Hong.