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ROYALE FURNITURE HOLDINGS LIMITED

皇朝傢俬控股有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1198)

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 for the five months ended 31 May 2011 and the management's estimate, the Group is expected to record an increase in profit of over 40% for the six months ending 30 June 2011 as compared with that of the six months ended 30 June 2010.

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

This announcement is made by Royale Furniture Holdings Limited (the "Company", 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 (the "Shareholders") and potential investors that, based on the preliminary review of the management accounts of the Group for the five months ended 31 May 2011 and the management's estimate, the Group is expected to record an increase in profit of over 40% for the six months ending 30 June 2011 compared with that of the six months ended 30 June 2010. Such expected increase was mainly due to the increase in revenue of the Group resulting from the increases in both the selling prices and volume of the Group's products.

The information contained in this announcement is only based on the preliminary review of the management accounts of the Group and the information currently available to the Board and is not based on any figures or information which has been audited or reviewed by the Company's auditors. The unaudited interim results of the Group for the six months ending 30 June 2011 are expected to be published on or before 31 August 2011.

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
Royale Furniture Holdings Limited
Tse Kam Pang
Chairman

Hong Kong, 27 June 2011

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Tse Kam Pang, Mr. Ma Gary Ming Fai, Mr. Zeng Lejin and Mr. Lam Toi; three independent non-executive directors, namely, Dr. Donald H. Straszheim, Mr. Chang Chu Fai Johnson Francis and Mr. Yau Chung Hong.