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HUAZHONG HOLDINGS COMPANY LIMITED

華眾控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6830)

PROFIT WARNING

This announcement is made by Huazhong Holdings Company Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that, based on the information currently available and a preliminary review of the consolidated management accounts of the Group for the year ended 31 December 2012, the Company expects to record a substantial decrease in the operating profit and net income as compared to those of the year ended 31 December 2011. The Board considers that the expected decrease in operating profit and net income was mainly attributable to pressure on the selling price of the Group’s products as a result of fierce competition in the industry and increase in the raw materials and labour costs and overall slowdown in China’s economy in the year of 2012. In addition, in the year of 2011, the Company recorded a one-off asset disposal income as a result of disposal of production equipment, intangible assets and land use right, which further widened the gap in the financial results between the 2011 and 2012.

As the Company is still preparing and finalizing its consolidated accounts for the year ended 31 December 2012, which are still being audited by the external auditor of the Company and have not been reviewed and approved by the Company’s audit committee. The information contained in this profit alert announcement is only based on information currently available to the Company and the Company’s preliminary review of the consolidated management accounts of the Group for the year ended 31 December 2012. Shareholders and potential investors are advised to read carefully the audited consolidated annual results announcement of the Group for the year ended 31 December 2012, which will be published in due course.

The information contained in this announcement is only the preliminary assessment made by 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 securities of the Company.

By order of the Board
Huazhong Holdings Company Limited
Zhou Minfeng
Chairman

Hong Kong, 12 March 2013

As at the date of this announcement, the executive directors of the Company are Mr. Zhou Minfeng and Mr. Chang Jingzhou; the non-executive directors are Ms. Lai Cairong, Mr. Wang Yuming and Ms. Kuang Min; and the independent non-executive directors are Mr. Su Xijia, Mr. Yu Shuli and Mr. Tian Yushi.