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SMART UNION GROUP (HOLDINGS) LIMITED

合俊集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2700)

POSITIVE PROFIT ALERT

This announcement is made by Smart Union Group (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 (the “**Board**”) of the Company wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that apart from the one-off gain arising from the creditors’ scheme of arrangement (details of which were set out in the Company’s circular dated 24 August 2011) which still requires further information from the scheme administrators, based on the preliminary review of the unaudited management accounts, the Group is expected to report an increase of revenue by approximately 57% for the year ended 31 December 2011, as compared to the corresponding period in 2010. The Board considers that this increase in revenue is principally attributable to an increase in both number and size of sales orders and higher sales prices which lead to a slight overall enhancement of the gross profit margin.

Furthermore, as disclosed in the section headed “Management Discussion and Analysis” contained in the annual report of the Company for the year ended 31 December 2010, the Group’s operation generated a profit before taxation of approximately HK\$31.8 million during 2010 after removal of restructuring related accounting income and expenses. Based on the information available to the Board for the time being, the increase in revenue in 2011 has led to an increase of over 80% in operating profit before taxation (excluding all restructuring related income and expenses) for the year ended 31 December 2011, as compared to the corresponding period in 2010 as mentioned above.

The Group is still in the process of finalizing its consolidated annual results for the year ended 31 December 2011. As such, this announcement is made solely on the basis of assessment by Board with reference to the unaudited financial information of the Group for the year ended 31 December 2011 available for the time being and subject to further information from the scheme administrators in relation to the one-off gain arising from the creditors’ scheme of arrangement, which are still subject to possible adjustments arising from further internal review by the Board and audit by the external auditors of the Company. Details of the Group’s performance will be contained in the annual results of the Group for the year ended 31 December 2011, which is expected to be published on or before 31 March 2012, in accordance with the requirements of the Listing Rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
Smart Union Group (Holdings) Limited
Wong Man Keung
Executive Director

Hong Kong, 27 February 2012

As at the date of this announcement, the Board comprises (i) four executive Directors: Mr. Yang Wang Jian, Mr. Wong Man Keung, Mr. Zhu Pei Heng and Ms. Yang Jun; and (ii) three independent non-executive Directors: Mr. Yeung King Wah, Kenneth, Mr. Wu Hong and Mr. Wong Kwong Chung, James.