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(Stock Code: 264)

PROFIT WARNING

This announcement is made by Chanco International Group Limited (the “Company”, together with its subsidiaries as 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 board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company and potential investors that the unaudited consolidated results of the Group for the six months ended 30 September 2009 may experience a loss as compared to a profit for the same period of 2008. Based on the latest information available, the expected loss was mainly due to decreases in sales and profit margin caused by reduction of orders from the overseas customers and the recognition of share-based payment expense in respect of share options granted during the period.

The Board would also like to inform the shareholders of the Company and potential investors that the business operation, financial position and cash level of the Group remained sound and healthy.

This profit warning announcement is only based on the preliminary assessment by the Company’s management according to the Group’s management accounts. The interim results of the Company for the six months ended 30 September 2009 have not been finalized as at the date of this announcement and the interim results announcement is expected to be published in mid-December 2009.

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

On behalf of the Board
Chanco International Group Limited
Chan King Hong Edwin
Chairman

Hong Kong, 27 November 2009

As at the date of this announcement, Mr. Chan King Hong, Edwin, Mr. Chan King Yuen, Stanley, Ms. Chan Wai Po, Rebecca are the executive directors of the Company, Mr. Fong Pui Sheung, David MH, Ms. Chau Cynthia Sin Ha JP and Mr. Or Kam Chung, Janson are the independent non-executive directors of the Company.