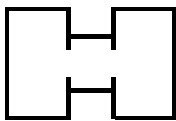


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HERALD HOLDINGS LIMITED

興利集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 114)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group's net profit attributable to Shareholders for the year ended 31 March 2009 is expected to decline significantly as compared with that for the year ended 31 March 2008.

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

This announcement is made by Herald 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 of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that the Group's net profit attributable to Shareholders for the year ended 31 March 2009 is expected to decline significantly as compared with that for the year ended 31 March 2008. Based on the information currently available, the Board considers that the decline is mainly attributable to (i) net realised and unrealised losses of approximately HK\$37.4 million on trading securities, including certain listed equity securities, unlisted equity/currency linked notes and managed funds, as a result of the deterioration of the global investment market; and (ii) exposure to potential losses of approximately HK\$14.7 million in relation to a customer which went into administration in the United Kingdom. In addition, the Group recorded foreign exchange losses arising from the devaluation of sterling and other major currencies against the US dollar.

The Company is still in the process of finalizing the Group's annual results for the year ended 31 March 2009. The information contained in this announcement is only based on the Company's preliminary review of the management accounts of the Group, which have not been audited or reviewed by the Company's auditors. Further

details of the Group's performance will be disclosed as and when the annual results of the Group for the year ended 31 March 2009 are announced.

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

By order of the Board
Herald Holdings Limited
Cheung Tsang Kay Stan
Chairman

Hong Kong, 21 April 2009

As at the date of this announcement, the Board comprises Messrs. Cheung Tsang Kay Stan, Robert Dorfman, Thong Yeung Sum Michael, George Bloch and Chang Dong Song as executive directors, and Messrs. Tang King Hung, David Tai Chong Lie-A-Cheong and Yeh Man Chun Kent as independent non-executive directors.

**For identification only.*