HONG HUA

Honghua Group Limited

宏華集團有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock code: 196)

MEANS OF RECEIPT AND ELECTION OF LANGUAGE OF CORPORATE COMMUNICATIONS

The Company wishes to announce that it is, in accordance with Rule 2.07A and Rule 2.07B of the Listing Rules and Article 180 of Articles of Association of the Company, making arrangements to ascertain the preferences of Non-Registered Shareholders with respect to the choice of means of receipt and language of its Corporate Communications.

Note: This announcement is being announced to the non-registered holders of the shares of the Company, whose shares are held in Central Clearing and Settlement System (CCASS) and who have notified the Company through Hong Kong Securities Clearing Company Limited that they wish to receive the Corporate Communication. If you have sold or transferred your shares in the Company, please disregard this announcement.

INTRODUCTION

In support of environmental protection and for the purpose of cost saving, the Company is making the arrangements described below to ascertain Non-Registered Shareholders' preferences as to the choice of means of receipt (in printed form or by electronic means) and language (in English only, in Chinese only or both English and Chinese) of the future Corporate Communications.

The Company recommends Non-Registered Shareholders to select the Website Version (as defined below). Even if the Non-Registered Shareholders shall have chosen the Website Version (as defined below), they have the right at any time by sending reasonable notice in writing to the Company's Hong Kong Share Registrar or using the Company's email at shareholder@hhcp.com.cn to change their choice.

PROPOSED ARRANGEMENTS

In accordance with Rule 2.07A and Rule 2.07B of the Listing Rules and Article 180 of Articles of Association of the Company, the following arrangements will be made by the Company:

1、The Company will send a letter dated 19 March 2009 (the “First Letter”) together with Reply Form, prepared in English and Chinese, a pre-paid addressed envelope to Non-Registered Shareholders to enable them to elect among the options below how to receive the future Corporate Communications:

(1) to read future Corporate Communication published on the Company’s website: http://www.hh-gltd.com (“Website Version”) in the place of receiving printed copies, and received a printed notification of the publication of the Website Version; or
(2) to receive a printed English version of all future Corporate Communications only; or
(3) to receive a printed Chinese version of all future Corporate Communications only; or
(4) to receive both the printed English and Chinese versions of all future Corporate Communications.

If the Reply Form is returned by post from outside Hong Kong, Non-Registered Shareholder must affix the appropriate postage. If the Company does not receive the Reply Form or receive a response indicating the objection from Non-Registered Shareholders within 28 calendar days beginning from the date of the First Letter, i.e. by 16 April 2009, such Non-Registered Shareholder will be deemed to have consented to receiving the Website Version. Unless such Non-Registered Shareholder inform the Company’s Hong Kong Share Registrar by reasonable notice in writing or send a notice to the Company’s email at shareholder@hhcp.com.cn, a printed notification of the publication of the Corporate Communication on the Company’s website will be sent to such Non-Registered Shareholder in the future.

2、With respect to Non-Registered Shareholders who choose to receive the Corporate Communication in printed form, the Company will send the selected language version of the Corporate Communication to those Non-Registered Shareholders who have made a selection unless and until such Non-Registered Shareholders notify the Company’s Hong Kong Share Registrar in writing or the Company by email that they wish to receive the Corporate Communications in the other (or both) language(s), or by electronic means (through the Company’s website).

3、When each printed Corporate Communications is sent out in accordance with the arrangements described above, a letter (the “Second Letter”) and a Request form (the “Request Form”), prepared in English and Chinese, will be attached to or printed in the relevant Corporate Communications, together with a pre-paid addressed envelope, specifying that the Corporate Communication prepared in the other language will be available upon request, and that Non-Registered Shareholders may request the other language of the Corporate Communications by completing the Request Form and returning it to the Company’s Hong Kong Share Registrar.

4、All Corporate Communication in both English and Chinese, and in accessible format, will be available on the Company’s website at http://www.hh-gltd.com. Electronic copies of both languages of all such Corporate Communications will be filed with the Stock Exchange on the same day they are despatched to Non-Registered Shareholders, or on such other day as required by the Stock Exchange or pursuant to the Listing Rules.

5、The First Letter and the Second Letter will mention that both languages of each Corporate Communications will be available on the Company’s website.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Company”	Honghua Group Limited, an exempted company incorporated in Cayman Islands with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange.
“Corporate Communication”	any document issued or to be issued by the Company for the information or action of holders of any of the Company’s securities as defined in Rule 1.01 of the Listing Rules.
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited, at Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, excludes Hong Kong, the Macau Special Administrative Region of the PRC or Taiwan, China
“Non-Registered Shareholder(s)”	holders of ordinary shares of HK$0.10 each in the share capital of the Company, whose shares are held in Central Clearing and Settlement System
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board of
Honghua Group Limited
Zhang Mi
Chairman

PRC, 19 March 2009

As at the date of this announcement, our directors are Mr. Zhang Mi (Chairman), Mr. Ren Jie and Mr. Liu Zhi as executive Directors, Mr. He Sean Xing, Mr. Xiang Qingsheng and Mr Siegfried Meissner, as non-executive Directors, and Mr. Chen Guoming, Mr. Tai Kwok Leung, Alexander, Mr. Liu Xiaofeng, Mr. Liu Yinchun, Mr. Qi Daqing, and Mr. Wang Li as independent non-executive Directors.