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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: 0196)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

This announcement is made pursuant to Rule 13.51 of the Listing Rules.

In light of the recent amendments to the Listing Rules which have taken effect on 1 January 2009, the Board proposed to amend the Current Articles of Association to bring them up to date.

A circular containing, among other matters, details of the proposed amendments to the Current Articles of Association together with the notice of the Annual General Meeting and the form of proxy for the forthcoming Annual General Meeting will be dispatched to the Shareholders as soon as practicable.

This announcement is made pursuant to Rule 13.51 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The proposed amendments to the Current Articles of Association

In light of the recent amendments to the Listing Rules which have taken effect on 1 January 2009, the board of directors (the "**Board**") of Honghua Group Limited (the "**Company**") announces that, for the purpose to bring the articles of association of the Company (the "**Current Articles of Association**") up to date, the Board proposed to amend the Current Articles of Association. The proposed amendments to the Current Articles of Association will give effect of the following:-

1. to allow the Company to use the Company's website and other electronic means to send or make available notices or documents to the shareholders of the Company

(the “**Shareholders**”), subject to the compliance with the Listing Rules and applicable laws by the Company;

2. to send notice to the Shareholders in the case of annual general meetings at least 20 clear business days before the meeting and at least 10 clear business days in the case of all other general meetings of the Company;

3. to decide all resolutions at general meetings of the Company by poll;

4. to clarify that a member who is a recognized clearing house may appoint one or more proxies or representatives to attend and vote at any general meeting and the person so authorized will be deemed to have been duly authorized without the need of producing any documents of title, authorization or evidence of appointment; and

5. to exclude the application of section 8 of the Electronic Transactions Law of the Cayman Islands so that the Company can take advantage of the delivery by electronic means as allowed under the Listing Rules to the fullest extent.

The proposed amendments to the Current Articles of Association are subject to the approval of the Shareholders by way of special resolutions at the forthcoming annual general meeting of the Company (the “**Annual General Meeting**”).

A circular containing, among other matters, details of the proposed amendments to the Current Articles of Association together with the notice of the Annual General Meeting and the form of proxy for the forthcoming Annual General Meeting will be dispatched to the Shareholders as soon as practicable in compliance with the requirement of the Listing Rules.

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

Hong Kong, April 14, 2009

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