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Unless otherwise defined herein, capitalised terms used in this announcement have the same meanings as defined in the prospectus (the “Prospectus”) of Kam Hing International Holdings Limited (the “Company”) dated 14 September, 2004.



KAM HING INTERNATIONAL HOLDINGS LIMITED

錦興國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

PLACING AND PUBLIC OFFER

Number of Offer Shares	:	160,000,000 Shares (subject to the Over-allotment Option)
Number of Placing Shares	:	144,000,000 Shares (subject to the Over-allotment Option and reallocation)
Number of Public Offer Shares	:	16,000,000 Shares (subject to reallocation)
Offer Price	:	Not more than HK\$1.61 per Offer Share (payable in full on application and subject to refund) and expected to be not less than HK\$1.13 per Offer Share
Nominal value	:	HK\$0.10 each
Stock code	:	2307

Sponsor



大福融資有限公司
TAI FOOK CAPITAL LIMITED

Lead Manager



大福證券有限公司
TAI FOOK SECURITIES COMPANY LIMITED

Co-Lead Managers

SBI E2-Capital Securities Limited

Goldbond Securities Limited

Co-Managers

CCB International Capital Limited

FB Gemini Securities Limited

Grand Vinco Capital Limited

Kingsway Financial Services Group Limited

Luen Fat Securities Company Limited

Pacific Foundation Securities Limited

Phillip Securities (HK) Ltd.

Phoenix Capital Securities Limited

Standard Bank Asia Limited

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares of HK\$0.10 each in issue and to be issued as described in the Prospectus and the application forms relating thereto, and any Shares which may be issued pursuant to the exercise of any option which may be granted under the Share Option Scheme and the exercise of the Over-allotment Option. Dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:30 a.m. on 23 September, 2004. Subject to the granting of the listing of, and permission to deal in, the Shares on the Main Board of the Stock Exchange, as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the Central Clearing and Settlement System (“CCASS”) with effect from the commencement date of dealings in the Shares on the Main Board of the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

The Share Offer of 160,000,000 Shares (subject to any reallocation between the Placing Offer and the Public Offer) comprises the Public Offer of initially 16,000,000 Public Offer Shares to the public in Hong Kong and the Placing of initially 144,000,000 Placing Shares to professional, institutional and private investors. The Public Offer Shares will be divided equally into two pools: pool A and pool B. The Public Offer Shares in pool A will initially consist of 8,000,000 Shares and will be allocated on an equitable basis to successful applicants who have applied for Public Offer Shares with a total subscription amount (excluding amounts of brokerage, Stock Exchange trading fee, SFC transaction levy and SFC investor compensation levy) of HK\$5 million or less. The Public Offer Shares in pool B will initially consist of 8,000,000 Shares and will be allocated on an equitable basis to successful applicants who have applied for Public Offer Shares with a total subscription amount (excluding amounts of brokerage, Stock Exchange trading fee, SFC transaction levy and SFC investor compensation levy) of more than HK\$5 million and up to the total value of pool B. Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Public Offer Shares in one pool (but not both pools) are under-subscribed, the surplus Public Offer Shares will be transferred to the other pool to satisfy demand in that pool and be allocated accordingly. Applicants can only apply for the Public Offer Shares in either pool A or pool B and only receive an allocation of the Public Offer Shares from either pool A or pool B but not from both pools. Where there is over-subscription, allocation of Public Offer Shares to investors under the Public Offer, both in relation to pool A and pool B, will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary depending on the number of Public Offer Shares validly applied for by each applicant, but will otherwise be made on a strictly pro-rata basis. However, this may involve balloting, which would mean that some applicants may be allotted more Public Offer Shares than others who have applied for the same number of Public Offer Shares and that applicants who are not successful in the ballot may not receive any Public Offer Shares. Multiple or suspected multiple applications, any application on a **WHITE** or **YELLOW** application form for more than 100% of the Public Offer Shares initially available in either Pool A or Pool B under the Public Offer or applications where cheques or banker’s cashier orders are dishonoured upon first presentation will be rejected and only one application on a **WHITE** or **YELLOW** application form may be made for the benefit of any person. **Applicants for the Public Offer Shares under the Public Offer are required to undertake and confirm to the Company, Tai Fook Capital and the Lead Manager (for itself and on behalf of the Underwriters) that they have not received or taken up and will not receive or take up any Shares under the Placing and have not otherwise participated and will not otherwise participate in the Placing. Reasonable steps will be taken to identify and reject applications under the Public Offer from investors who have received Placing Shares under the Placing. Applicants under the Public Offer should note that save under the circumstances as set out in the paragraph headed “Circumstances in which you will not be allotted Public Offer Shares” in the application forms, applications for the Public Offer Shares cannot be withdrawn once submitted.**

Application for the Public Offer Shares must be paid on the basis of the maximum Offer Price of HK\$1.61 per Offer Share, plus brokerage fee of 1%, the SFC transaction levy of 0.005%, the SFC investor compensation levy of 0.002% and the Stock Exchange trading fee of 0.005%. The Share Offer is subject to the conditions stated in the paragraph headed “Conditions of the Share Offer” under the section headed “Structure of the Share Offer” in the Prospectus. If the conditions are not fulfilled on or before the time and date as stated therein, all application monies together with the related brokerage, Stock Exchange trading fee, SFC transaction levy and SFC investor compensation levy received from applicants under the Public Offer will be refunded, and in the event that the Offer Price is less than the price per Share initially paid upon application, the appropriate portion of affected applicants’ application monies together with the related brokerage, Stock Exchange trading fee, SFC transaction levy and SFC investor compensation levy will be refunded, in each case without interest. All refunds will be made by cheque(s) crossed “Account payee only”, and made out to you or, if you are joint applicants, to the first-named applicant on your application on the terms set out under the section headed “Refund of your money” on the relevant application forms.

Depending on the number of valid applications received under the Public Offer, the initial allocation of Offer Shares between the Public Offer and the Placing is subject to reallocation between the Public Offer and the Placing on the basis as described in the paragraph headed “Reallocation of Offer Shares between the Public Offer and the Placing” under the section headed “Structure of the Share Offer” in the Prospectus. If the Public Offer Shares are not fully subscribed, the Lead Manager (for itself and on behalf of the Underwriters) will have the discretion to reallocate all or any unsubscribed Public Offer Shares originally included in the Public Offer to the Placing, in such amount and manner as it considers appropriate. If the Placing Shares are not fully subscribed, the Lead Manager (for itself and on behalf of the Underwriters) will have the discretion to reallocate all or any unsubscribed Placing Shares originally included in the Placing to the Public Offer, in such amount and manner as it considers appropriate. Details of any reallocation of Shares between the Placing and the Public Offer will be disclosed in the results announcement, which is expected to be made on 22 September, 2004.

The Offer Price is expected to be determined by an agreement to be entered into between the Company and Tai Fook Securities (for itself and on behalf of the Underwriters) at or before 9:00 a.m. on Saturday, 18 September, 2004 or such later time as may be agreed by Tai Fook Securities (for itself and on behalf of the Underwriters) and the Company but in any event not later than 12:00 noon on Saturday, 18 September, 2004. The Offer Price will be not more than HK\$1.61 per Offer Share and is expected to be not less than HK\$1.13 per Offer Share. Tai Fook Securities (for itself and on behalf of the Underwriters and with the prior consent of the Company) may reduce the indicative Offer Price range below that stated in the Prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, a notice of the reduction of the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Public Offer. If applications for Public Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the Offer Price is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Offer Price is not agreed between the Company and Tai Fook Securities (for itself and on behalf of the Underwriters), the Share Offer will not become unconditional and will lapse. In such event, the Company will issue an announcement to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

Applications for the Placing Shares and the Public Offer Shares will only be considered on the basis of the terms and conditions of the Prospectus and, in respect of the Public Offer Shares, also on the basis of the terms and conditions of the related application forms. Applicants who would like to have the Public Offer Shares allotted and issued in their names should complete and sign the **WHITE** application forms. Applicants who would like to have the Public Offer Shares allotted and issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their investor participant stock accounts or their designated CCASS participants' stock accounts maintained in CCASS should complete and sign the **YELLOW** application forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on 14 September, 2004 until 12:00 noon on 17 September, 2004 at the depository counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong. Copies of the **WHITE** application forms together with the Prospectus are available during normal business hours during the same period from:

1. **Tai Fook Securities Company Limited of 25/F, New World Tower, 16-18 Queen's Road Central, Hong Kong**
2. **SBI E2-Capital Securities Limited of 43/F, Jardine House, One Connaught Place, Central, Hong Kong**
3. **Goldbond Securities Limited of 39/F, Tower 1, Lippo Centre, 89 Queensway, Hong Kong**
4. **CCB International Capital Limited of 5/F., Tower One, Lippo Centre, 89 Queensway, Admiralty, Hong Kong**
5. **FB Gemini Securities Limited of 1503 Cheung Kong Center, 2 Queen's Road Central, Hong Kong**
6. **Grand Vinco Capital Limited of Room 902, 9/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong**
7. **Kingsway Financial Services Group Limited of 5/F, Hutchison House, 10 Harcourt Road, Central, Hong Kong**
8. **Luen Fat Securities Company Limited of 23/F., Euro Trade Centre, 21-23 Des Voeux Road Central, Hong Kong**
9. **Pacific Foundation Securities Limited of 11/F, New World Tower II, 16-18 Queen's Road Central, Hong Kong**
10. **Phillip Securities (HK) Ltd. of 11/F, United Centre, 95 Queensway, Hong Kong**
11. **Phoenix Capital Securities Limited of Room 3203-04, 32/F., Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong**
12. **Standard Bank Asia Limited of 36/F, Two Pacific Place, 88 Queensway, Hong Kong**

Or any of the following branches of **Hang Seng Bank Limited**:

Hong Kong Island:	Head Office	83 Des Voeux Road Central
	Central District Branch	Basement, Central Building, Pedder Street
	Causeway Bay Branch	28 Yee Wo Street
	Wanchai Branch	200 Hennessy Raod
Kowloon:	Kowloon Main Branch	618 Nathan Road
	Tsimshatsui Branch	18 Carnarvon Road
	Kwun Tong Branch	70 Yue Man Square
	Mongkok Branch	677 Nathan Road
New Territories:	Tsuen Wan Branch	289 Sha Tsui Road, Tsuen Wan
	Shatin Branch	Shop 18 Lucky Plaza, Wang Pok Street, Shatin

Completed **WHITE** and **YELLOW** application forms, to which cheques or banker's cashier orders securely stapled, should be deposited in the special collection boxes provided at any of the branches of **Hang Seng Bank Limited** referred to above on the following dates during the following times:

14 September, 2004 – 9:00 a.m. to 4:00 p.m.
15 September, 2004 – 9:00 a.m. to 4:00 p.m.
16 September, 2004 – 9:00 a.m. to 4:00 p.m.
17 September, 2004 – 9:00 a.m. to 12:00 noon

Subject to the terms and conditions set out in the Prospectus and the application forms relating thereto, applications made on **WHITE** and **YELLOW** application forms (with payment attached) must be received by not later than 12:00 noon on 17 September, 2004 (or such later date as may apply in the case of a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal being in force in Hong Kong as described in the paragraph headed "Effect of bad weather on the opening of the application lists" in the section headed "How to apply for the Public Offer Shares" in the Prospectus). The Company will not issue temporary document of title or any receipt for application money received.

Announcements on the Offer Price, the level of indication of interest in the Placing, the results of applications and basis of allocation of the Public Offer Shares and the number of Shares (if any) reallocated from the Public Offer to the Placing, or from the Placing to the Public Offer, are scheduled to be published on 22 September, 2004 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

If you have applied for 1,000,000 Public Offer Shares or above on a **WHITE** application form or a **YELLOW** application form and have indicated on your application form that you will collect your share certificate(s) (where applicable) and/or refund cheque(s) (where applicable) in person, you may collect it/them in person from Tricor Investor Services Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong between 9:00 a.m. and 1:00 p.m. on the date notified by the Company in the designated newspapers as the date of despatch of share certificate(s) and refund cheque(s), which is expected to be 22 September, 2004. Applicants being individuals who opt for personal collection must not authorise any other person to collect their share certificate(s) and/or refund cheque(s) on their behalf. You must show your identification documents (which must be acceptable to Tricor Investor Services Limited) to collect the share certificate(s) and/or refund cheque(s). Applicants being corporations which opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporation chops. Their authorised representatives must produce at the time of collection evidence of identity acceptable to Tricor Investor Services Limited. If you do not collect your shares certificate(s) and/or refund cheque(s) within the time and date stipulated above, it/they will be sent to the address (in case of joint applicants, to the address of the first-named applicant) specified in your application form shortly after their time of collection, by ordinary post and at your own risk. If you have applied for less than 1,000,000 Public Offer Shares or if you have applied for 1,000,000 Public Offer Shares or above but have not indicated on your application form that you will collect your share certificate(s) (where applicable) and/or refund cheque(s) (where applicable) in person, then your share certificate(s) and/or refund cheque(s) will be sent to the address (in case of joint applicants, to the address of the first-named applicant) specified in your application form on the date of despatch, by ordinary post and at your own risk.

If you have applied for the Public Offer Shares on a **YELLOW** application form and your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your investor participant stock account or your designated CCASS participant's stock account maintained in CCASS as instructed by you before the close of business on 22 September, 2004 or under contingent situation, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. If you are applying through a designated CCASS participant, you can check the number of Public Offer Shares allotted to you with that CCASS participant. If you are applying as a CCASS investor participant, you can check the number of Public Offer Shares allotted to you in the announcement published by the Company in the designated newspapers on 22 September, 2004 and report any discrepancies to HKSCC before 5:00 p.m. on 22 September, 2004 or such other date as shall be determined by HKSCC or HKSCC Nominees Limited and check your new account balance via the CCASS Phone System and CCASS Internet System immediately following the credit of the Public Offer Shares to your stock account. For CCASS investor participants, HKSCC will also make available to you an activity statement showing the number of the Public Offer Shares credited to your investor participant stock account.

By order of the Board
Tai Chin Chun
Chairman

Hong Kong, 14 September, 2004

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Tai Chin Chun, Mr. Tai Chin Wen, Madam Cheung So Wan and Madam Wong Siu Yuk, and three independent non-executive Directors namely Mr. Chong Chau Lam, Madam Chu Hak Ha, Mimi and Mr. Chan Yuk Tong.

“Please also refer to the published version of this announcement in the South China Morning Post”