



## **KAM HING INTERNATIONAL HOLDINGS LIMITED**

**錦興國際控股有限公司**

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

**(Stock code: 2307)**

### **ANNOUNCEMENT RELATING TO LISTING RULE 13.18**

The Directors announce that the Company, as a guarantor, entered into the Loan Agreement on 13 April 2007 with, inter alios, a syndicate of banks for a 4-year term loan facility of HK\$440,000,000. Under the Loan Agreement, it would be an event of default if (a) Mr. Tai Chin Chun and Mr. Tai Chin Wen, the ultimate controlling shareholder and substantial shareholder respectively of the Company cease to collectively and beneficially own (either directly or indirectly) 51% interests in the Company; or (b) any member of the Group or its management, business or operations is not or ceases to be controlled by both of Mr. Tai Chin Chun and Mr. Tai Chin Wen. The Directors make this announcement in compliance with the general disclosure obligations under rule 13.18 of the Listing Rules.

#### **LOAN AGREEMENT**

On 13 April 2007, the Company as a guarantor, entered into the Loan Agreement with, inter alios, a syndicate of banks for a 4-year term loan facility of HK\$440,000,000. The borrower to the Loan Agreement is KH Piece Works, a wholly-owned subsidiary of the Company. The facility under the Loan Agreement is to be used to finance the general corporate requirements of KH Piece Works (including refinance the term loan outstanding under the existing HK\$305,000,000 facility agreement dated 15 July 2005). The facility under the Loan Agreement is guaranteed by the Guarantors.

Under the Loan Agreement, it would be an event of default if (a) Mr. Tai Chin Chun and Mr. Tai Chin Wen, the ultimate controlling shareholder and substantial shareholder of the Company respectively cease to collectively and beneficially own (either directly or indirectly) 51% interests in the Company ; or (b) any member of the Group or its management, business or operations is not or ceases to be controlled by both of Mr. Tai Chin Chun and Mr. Tai Chin Wen. Upon the occurrence of an event of default, the lenders may cancel their total commitments immediately and/or declare that all or part of the loan together with accrued interest and all other amounts accrued or outstanding to be immediately due and payable; and/or declare that all or part of the loan be payable on demand. As at the date of this announcement, Mr. Tai Chin Chun and Mr. Tai Chin Wen were indirectly holding 60% and 15% of the interests of the Company respectively.

Given the above, the Directors make this announcement in compliance with the general disclosure obligations under rule 13.18 of the Listing Rules.

## DEFINITIONS

Unless the contents in this announcement state otherwise, the following expressions shall have the meaning as set out below:

“Company”	Kam Hing International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“controlled”	one entity being “controlled” by a person means that the person has the power to appoint and/or remove all or a majority of the members of the board of directors or other governing body of the entity or otherwise controls or has the power of control over the affairs and policies of the entity
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guarantors”	the Company, KH Textile, KH Macao and, where applicable, Additional Guarantors (as defined in the Loan Agreement)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“KH Macao”	Kam Hing Textile Macao Commercial Offshore Company Limited, a company incorporated in Macau and a wholly-owned subsidiary of the Company
“KH Piece Works”	Kam Hing Piece Works Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“KH Textile”	Kam Hing Textile (International) Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the term loan facility agreement dated 13 April 2007 and entered into by (a) KH Piece Works as borrower, (b) the Company, KH Textile and KH Macao as guarantors and (c) a syndicate of banks with respect to a 4-year term loan of a principal amount of HK\$440,000,000
“Macao”	the Macau Special Administrative Region of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the board of  
**Kam Hing International Holdings Limited**  
**Tai Chin Chun**  
*Chairman*

Hong Kong, 13 April 2007

*As at the date of this announcement, the executive Directors are Mr. Tai Chin Chun, Mr. Tai Chin Wen, Madam Cheung So Wan, Madam Wong Siu Yuk and Mr. Chong Chau Lam; and the independent non-executive Directors are Mr. Chan Yuk Tong, Jimmy, Madam Chu Hak Ha, Mimi and Mr. Ku Shiu Kuen, Anthony.*

“Please also refer to the published version of this announcement in The Standard”