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**KAM HING INTERNATIONAL HOLDINGS LIMITED**  
**錦興國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 02307)**

**ANNOUNCEMENT**

On 12 August 2011, the Group entered into the Facility Agreement under which the Loan Facility in an aggregate sum of HK\$690,000,000 is made available to the Group repayable in four equal instalments on the dates falling 24, 30, 36 and 42 months after the date of the Facility Agreement. The Loan Facility will be used to finance the repayment of the debts, the general working capital and the capital expenditure of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of Kam Hing International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) make the following disclosures in compliance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Pursuant to the facility agreement (the “**Facility Agreement**”) dated 12 August 2011 and entered into among (i) Kam Hing Piece Works Limited, a wholly-owned subsidiary of the Company, as borrower, (ii) the Company and two other subsidiaries of the Company as guarantors, and (iii) various financial institutions as agent, arrangers, security trustee and lenders, a term loan facility (the “**Loan Facility**”) in an aggregate sum of HK\$690,000,000 is made available to the Group repayable in four equal instalments on the dates falling 24, 30, 36 and 42 months after the date of the Facility Agreement. The Loan Facility will be used to finance the repayment of the debts, the general working capital and the capital expenditure of the Group. It is provided in the Facility Agreement that if, either of or taken together, Mr. Tai Chin Chun and Mr. Tai Chin Wen (both being executive Directors and substantial shareholders of the Company) (together the “**Tai Family**”) either: (i) do not or cease to own, directly or indirectly, at least 40% of the beneficial interest in the Company, carrying at least 40% of the voting right, free from any security interest, (ii) are not or cease to be the single largest shareholder of the Company, (iii) do not or cease to have management control of the Group or (iv) do not or cease to appoint or nominate the majority of the Board or is not the chairman of the Company, the commitments under the Loan Facility may be cancelled and all amounts outstanding under the Loan Facility may become immediately due and payable.

As at the date hereof, to the best knowledge, information and belief of the Directors, the Tai Family beneficially owns approximately 49.84% of the issued share capital of the Company.

Disclosure of the above will also be included in the subsequent interim and annual reports of the Company for so long as the above provision continues to exist.

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

Hong Kong, 12 August 2011

*As at the date of this announcement, the Board comprises Mr. Tai Chin Chun, Mr. Tai Chin Wen, Ms. Cheung So Wan, Ms. Wong Siu Yuk, Mr. Chong Chau Lam and Mr. Wong Wai Kong, Elmen as executive Directors; Mr. Lee Cheuk Yin, Dannis as non-executive Director; and Mr. Chan Yuk Tong, Jimmy, Ms. Chu Hak Ha, Mimi and Mr. Ho Gilbert Chi Hang as independent non-executive Directors.*