

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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:**

**1. CLARIFICATION OF CERTAIN NEWS ARTICLES; AND**  
**2. RESUMPTION OF TRADING**

This announcement is made by Kam Hing International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board (the “Board”) of directors (the “Directors”) of the Company would like to clarify the allegations made in certain news articles appeared on 28 June 2016 relating to the involvement of Mr. Tai Chin Wen (“Mr. Tai”), the Chief Executive Officer and an executive Director of the Company, in a bribery case (the “Subject Case”) relating to Wuhan Iron and Steel Group Company (the “Wuhan Group”) in the People’s Republic of China (the “PRC”).

The Board wishes to take this opportunity to clarify as follows:

1. Mr. Tai is currently cooperating with the relevant PRC judicial authority for the Subject Case in the PRC. According to Mr. Tai, he received an invitation in Hong Kong to go to the PRC voluntarily to assist an investigation (the “Investigation”) relating to Wuhan Group. During the Investigation, Mr. Tai was given to understand that the Subject Case is mainly concerned about: (i) the mining project conducted by the Group and the Wuhan Group in Soalala, Madagascar; (ii) the employment of 鄧嶠 (the son of an ex-director of Wuhan Group) by the Group in 2011; and (iii) the trading business (the “Private Business”) between Wuhan Group and a private company controlled by the son of Mr. Tai not related to the Group nor any Director of the Company. Up to the date of this announcement, no charge whatsoever is made or alleged to be made against Mr. Tai and Mr. Tai has not been informed that a charge is likely to be made against him. To the best information, knowledge and belief of the Directors, the son of Mr. Tai is not involved in the Investigation and no charge whatsoever is made or alleged to be made against the son of Mr. Tai. Mr. Tai is not required to stay under custody at a designated residence and he is free to travel anywhere within the PRC but is not allowed to leave the PRC.
2. Mr. Tai, as the Chief Executive Officer of the Company responsible for the daily operation of the Group in the PRC, has been and is working in the production plants of the Group in Panyu and Enping (where the principal manufacturing bases of the Group are located) overseeing the operation and production of the Group as usual. As Mr. Tai is free to make and receive telephone calls, free to travel and free to attend meetings with any persons within PRC any times as he wishes, the Board considers that the involvement of Mr. Tai in the Subject Case has no material adverse effect on his ability to discharge his duties and on the business and operation of the Group.
3. As disclosed in previous announcements and financial reports of the Company, the Group’s joint venture with the Wuhan Group for the mining business in Soalala, Madagascar started in 2009. The Group has complied with all applicable laws and regulations in relation to the formation of joint venture with the Wuhan Group and the investment in the mining project in Soalala, Madagascar. After the Group’s divestment in 2011, the Group is only interested in 25% shareholding of a joint venture company which has just 20% equity interests in the joint venture (the “Mine JV”) with the Wuhan Group (i.e. an effective equity interest of 5%), and the Group has not made further investment in such mining business. As disclosed in the annual report for the year ended 31 December 2015, with the reference to a valuation report by an independent professional valuer, the Group recorded zero value for such investment after full impairment has been made in accordance with the relevant accounting standards.

4. The Group employed 鄧嶠 in 2011 as project investment analysis manager primarily responsible for industrial analysis for the PRC market. The Group has complied with all applicable laws and regulations in relation to the employment of 鄧嶠. 鄧嶠 has left the Group in 2015 and the Company has no knowledge and information about any trading activities between 鄧嶠 and the Wuhan Group, if any.
5. The Private Business mentioned in paragraph 1(iii) above was not conducted by or related in any aspect to the Group.
6. The businesses of the Group are operating and performing as usual. No company within the Group has received any documents or has been informed to be subject to any Investigation relating to the Subject Case by any regulator, governmental or judicial authority in the PRC.

In view of the above and having made such enquiry with respect to the Subject Case as is reasonable in the circumstances, the Board confirms that it is not aware of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Trading in shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 29 June 2016 at the request of the Company pending the publication of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 30 June 2016.

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

Hong Kong, 29 June 2016

*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; and Mr. Chan Yuk Tong, Jimmy, Ms. Chu Hak Ha, Mimi and Mr. Ho Gilbert Chi Hang as independent non-executive Directors.*