



**Kam Hing Established New R&D Centre in Panyu and
Second Garment Factory in Madagascar**

Share Price Information:

Latest price (13/8/2007) HK\$1.32

Total Issued shares

(shares).....640,000,000

Free Float Rate%.....25%

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New R&D Centre to Further Strengthen the Group's R&D Capability

To further strengthen its competitiveness, the Group established a new R&D centre in July 2007.

The new R&D centre commenced operation spans over 3,000 square metres, which can further enhance the Group's capability for development of new fabrics, including different blended fabrics made with materials such as metallic and organic substances. In addition, the new R&D Centre improves the Group's ability to utilize different final processing methods to improve fabrics appearance, such as washing and printing, and enable us to maintain the leading position in the knitted fabric industry.

Second Garment Factory in Madagascar Commenced Production

In order to fulfill the increasing demand from overseas customers, the Group set up the second garment factory in Madagascar and commenced operation in June 2007.

With the first garment factory which has 36 production lines totaling 1,300 sewing machines and put into operation since 2006, whilst the second garment factory has 32 production lines totaling 1,000 sewing machines. Second garment factory is close to the first garment factory and can provide additional capacity to the increasing order from the existing customers including GAP, The Children Place, Disney, Foot Lockers, etc.

Total capacity at maximum efficiency can reach 1.8 million pieces per month.

Establishing a New Fabric Factory in Enping, Guangdong

Construction work is underway and the progress is according to schedule. The new factory is expected to commence production by early 2008 to provide additional capacity for continuous growth. The new factory will provide additional 30% capacity.

Q2 Orders Received Optimistic Growth

A steady increase in orders is recorded. After increase in capacity last year, the Group has enhanced its production efficiency which can take up more order by expanding its sales network as well as receiving more order from existing customers.



Company Background

Kam Hing is one of the leading yarn knitting, yarn dyeing and fabric dyeing manufacturers in Hong Kong. Capitalizing on its efficient vertically integrated production facilities in Panyu, Guangdong, the Group has emerged as a preferred partner for many international fashion apparel operators. It is a one-stop-shop for all design, yarn dyeing, knitting, bleaching, fabrics dyeing, setting and finishing processes for finished fabrics as well as garment manufacturing. In addition, they have self-sufficient utility facilities, including water supply, sewage treatment and coal-fire power plant, etc.

Photo Gallery

New R&D Centre



New garment factory in Madagascar

