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**KAM HING INTERNATIONAL ANNOUNCES
SIGNING AGREEMENTS WITH THE THIRD LARGEST IRON & STEEL PRODUCER IN PRC
TO TAP INTO MINING BUSINESS IN MADAGASCAR, AFRICA**

(Hong Kong, 28 January 2008) ----- **Kam Hing International Holdings Limited** ("Kam Hing" / the "Group") (Stock Code: 2307) is pleased to announce that the Group has entered into two cooperation agreements with Wuhan Iron & Steel (Group) Company (the "Strategic Partner"), the third largest iron and steel production corporation in the PRC, on 18 January 2008. The agreements have set out the terms of cooperation in relation to the exploration and exploitation of iron and other mineral resources in the Bekisopa Region and other regions of Madagascar.

Dr. Tai Chin Chun, Chairman of the Group, said, "Subsequent to the acquisition of a zinc mine's exploration right in Guangxi last November, the cooperation with a leading iron and steel producer in the PRC this time not only provides reliable technical support to the Group, it will also bring stable source of income to us as our strategic partner becomes our major client in future."

According to the first cooperation agreement, the Group and its Strategic Partner have agreed to form a joint venture company (the "JV Company") for the exploration and exploitation in the Bekisopa Region, Madagascar (The Group has already acquired the mineral exploration and exploitation rights in an area of approximately 287 square kilometers in late 2007). The Group and the Strategic Partner will own 40% and 60% of equity interest in the JV Company respectively after its establishment. The profit from the JV Company shall be distributed to the Strategic Partner and the Group in proportion to their respective shareholdings in the JV Company.

Under the second cooperation agreement, the Group and its Strategic Partner have agreed to use the JV Company for the purpose of acquiring another mineral exploration and exploitation rights in other region of Madagascar. If the required mineral exploration and exploitation rights have been acquired by the JV Company, the Strategic Partner shall be responsible for the establishment and running of the production site and the Strategic Partner has committed to purchasing all the metallic resources exploited therein at the then prevailing international market price.

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Wuhan Iron and Steel (Group) Company is the third largest iron and steel production corporation in the PRC. One of its subsidiaries is Wuhan Iron and Steel Company Limited. According to the published unaudited financial statements of Wuhan Iron and Steel Company Limited for the six months ended 30 June 2007, its total assets value as at 30 June 2007 was about RMB 50.2 billion, and its turnover and net profit after tax for the six months ended 30 June 2007 were about RMB 26.0 billion and RMB 3.4 billion respectively.

“The formation of the JV Company allows the Group to take another step in the mining business. In future, the Group will keep on exploring other lands that are rich in mineral resources in order to further broaden our income source.” **Dr. Tai concluded.**

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About Kam Hing Holdings Limited (Stock Code: 2307)

Kam Hing is principally engaged in the manufacturing and sales of finished knitted fabrics, dyed yarns and garment products. In 2007, the Group diversified its business into the exploration and mining of natural resources in Guangxi, PRC. The Group currently operates two garment factories in Madagascar, Africa, a garment factory, a knitted fabric factory together with a fabric R&D center and a fabric testing centre in Panyu, the PRC. The major clients of the Group are from Singapore, Hong Kong, the PRC, Taiwan, the United States, Korea and Africa.