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## KAM HING INTERNATIONAL ANNOUNCES BROADENING SOURCE OF INCOME BY ACQUIRING AN EXPLORATION RIGHT IN PRC

EXPLOITING OTHER BUSINESS OPPORTUNITIES WITH STEADY GROWTH IN CORE BUSINESS

("Kam Hing" / the "Group") (Stock Code: 2307) is pleased to announce that on 28 November 2007, the Group has acquired the exploration right for the zinc mine in the Guangxi Zhuang Autonomous Region in the PRC, which covers an exploration area of approximately 20.5 sq. km., with a consideration of RMB 2 million.

**Mr. Tai Chin Chun, Chairman of the Group** said, "We anticipated that the demand for zinc will remain strong with the continuous economic growth in the PRC. Hence, while we continue to develop our core business, we will also diversify into the exploration and mining of natural resources in the long run, broadening our business portfolio into a sector with high growth potential. Thus, our source of income will be widened and a sustainable growth of our Group maintained."

The revenue of the Group recorded an increase of 19.5% from the same period last year to approximately HK\$1,070.5 million for the period ended 30 June 2007. Gross profit increased 22.3% to approximately HK\$222.2 million. To sustain future growth in the textile business, the second textile factory of the Group will be opened in Enping, the PRC, in December this year and will commence operation in mid-2008.

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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. The Group currently operates two garment factories, one textile factory and one research and development center in Madagascar Africa and Panyu, the PRC. The major clients of the Group are from Singapore, Hong Kong, PRC, Taiwan, United Stated, Korea and Africa.