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僑雄國際控股有限公司

Kiu Hung International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 381)

HIGH CONCENTRATION OF SHARES AND UNUSUAL PRICE MOVEMENT

This announcement is made at the request of the Stock Exchange in respect of the concentration of the Company's shareholding in the hands of a limited number of Shareholders as at 11 July 2006 and the increase in the price of the Shares as at 24 July 2006. In view of the high concentration of shareholding in the hands of a small number of Shareholders, Shareholders and potential investors of the Company should be aware that the price of the Shares could fluctuate substantially even when a small number of Shares have been traded.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The board (the "Board") of directors (the "Directors") of Kiu Hung International Holdings Limited (the "Company") has recently been informed by the Stock Exchange that on the basis of information provided by the Securities and Future Commission (the "SFC"), as at 11 July 2006, apart from the shares (each a "Share") of HK\$0.02 each in the capital of the Company representing approximately 70.81% of the issued share capital of the Company (the "Issued Share Capital") held by Legend Win Profits Limited, Shares representing approximately 26.48% of the Issued Share Capital were held by 12 investors, which in aggregate, accounted for approximately 97.29% of the Issued Share Capital. As such, Shares held by other investors only accounted for approximately 2.71% of the Issued Share Capital as at 11 July 2006.

According to the latest notifications received by the Company in respect of disclosure of interests under the Securities and Futures Ordinance, as at 11 July 2006, the shareholding structure of the Company is as follows:

	Number of Shares	%
Legend Win Profits Limited (<i>Note</i>)	1,567,500,000	70.81
12 investors	586,310,000	26.48
Other shareholders	60,010,000	2.71
Total	<u>2,213,820,000</u>	<u>100.00</u>

Note: The issued share capital of Legend Win Profits Limited is beneficially owned by Mr. Hui Kee Fung, Mr. Hui Ki Yau, Ms. Hui Hung Tan, Teresa and Hui's K. K. Foundation Limited as to 38.95%, 32.63%, 23.16% and 5.26%, respectively. Mr. Hui Kee Fung, Mr. Hui Ki Yau and Ms. Hui Hung Tan, Teresa are the sole beneficial owners and directors of Hui's K. K. Foundation Limited. Mr. Hui Kee Fung, Mr. Hui Ki Yau and Ms. Hui Hung Tan, Teresa are all executive Directors of the Company.

During the period between 1 June 2006 and 10 July 2006, the average daily turnover was approximately 280,000 Shares and the Share price closed between HK\$0.110 and HK\$0.201. On 11 July 2006, the Share price went up by approximately 99% and closed at HK\$0.40 with turnover of 840,000 Shares. During the period between 12 July 2006 and 17 July 2006, the closing price of the Shares fell from HK\$0.33 to HK\$0.255 with a high average daily turnover of approximately 2,270,000 Shares.

The Company has reviewed the shareholders register of the Company and the report from the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited (the "CCASS Report") as of 11 July 2006 and noted that other than Legend Win Profits Limited (see further information below) and HKSCC Nominees Limited, none of the registered shareholders (each a "Shareholder") of the Company are substantial Shareholders or hold Shares representing 5% or more of the Issued Share Capital as at 11 July 2006. The Company is unable to identify the beneficial owners of the Shares through the CCASS Report, which only shows the shareholdings of various stockbrokers and/or custodian accounts.

Having made all reasonable enquiries with the Directors and the connected persons (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) of the Company, as at 19 July 2006, to the best knowledge of the Directors, the Directors confirm that the public float in respect of the Shares is maintained.

Although sufficient Shares were held by the public in compliance with the public float requirement under Rule 8.08 of the Listing Rules, given that the concentration of the Shares in the hands of a limited number of Shareholders on 11 July 2006, the Company hereby makes this announcement to keep the market properly informed.

In view of the high concentration of shareholding in the hands of a small number of Shareholders, Shareholders and potential investors of the Company should be aware that the price of the Shares could fluctuate substantially even when a small number of Shares have been traded.

In addition, the Board has noted the increase in the price of the Shares on 24 July 2006 and wishes to state that, except for the reasons as stated below, the Board is not aware of any reason for such increase.

Save as disclosed above and in our announcement dated 6 July 2006 in relation to the open offer of Shares, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are disclosable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter disclosable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature. The Directors of the Board individually and jointly accept responsibility for the accuracy of this statement.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

By order of the Board
Kiu Hung International Holdings Limited
Hui Ki Yau
Chief Executive Officer

Hong Kong, 24 July 2006

As at the date of this announcement, the Board comprises three executive Directors, Mr. Hui Kee Fung, Mr. Hui Ki Yau and Madam Hui Hung Tan, Teresa and three independent non-executive Directors, Mr. Peng Guanghui, Mr. Kung King Ching, Conrad and Mr. Tang Rongzu.

Please also refer to the published version of this announcement in China Daily.