(Incorporated in the Cayman Islands with limited liability)
(Stock Code:: 381)

ANNOUNCEMENT - UNUSUAL PRICE AND VOLUME MOVEMENTS

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement dated 17 July 2007 (the "Announcement") issued by the Company in relation to the unusual price and volume movements of the shares (the "Shares") of the Company.

We have noted the recent increases in the trading price and trading volume of the Shares and wish to state that, save as disclosed in the Announcement in relation to the possible acquisitions of the equity interest of certain companies engaged in the energy and/or resources industries which are under the Company's consideration, we are not aware of any reasons for such increases. No terms of such possible acquisition have been finalised and no binding agreement in relation to such possible acquisitions have been entered into as at the date of this statement. Such possible acquisitions may or may not proceed.

Save as disclosed above, we confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are disclosable under rule 13.23, neither is the Board aware of any matter disclosable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Made by the order of board ("Board") of directors of Kiu Hung International Holdings Limited, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board

Kiu Hung International Holdings Limited

Hui Hung Tan, Teresa

Executive Director

Hong Kong, 18 July 2007

As at the date of this statement, 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.