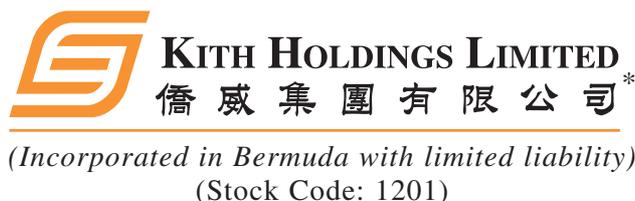


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HIGH CONCENTRATION ANNOUNCEMENT

This announcement is made in respect of the concentration of the Company's shareholding in the hands of a limited number of shareholders as at 12th June, 2006.

In view of the high concentration of shareholding in a small number of shareholders, shareholders of and investors in the Company should be aware that the price of the shares could fluctuate substantially even with a small number of shares traded. Shareholders of and investors in the Company should exercise extreme caution when dealing in the shares of the Company.

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

The Board of Directors (the "Board") of Kith Holdings Limited (the "Company") has recently been informed by the Securities and Futures Commission ("SFC") that on the basis of information provided, as at 12th June, 2006, 14 shareholders held an aggregate of 55,790,000 of the Company's shares (or approximately 20.84% of the Company's total issued share capital of 267,693,600 as at 12th June, 2006). Their shareholdings, together with the 199,500,000 of the Company's shares (or approximately 74.53% of the Company's total issued share capital) controlled by Accufit Investments Inc., a company indirectly wholly-owned by a discretionary trust, the beneficiaries of which are the family members of Mr. Hui King Chun, Andrew being the chairman and executive director of the Company), represented approximately 95.37% of the Company's total issued shares as at 12th June, 2006. As such, approximately 4.63% of the total issued shares of the Company were in the hands of investors other than Accufit Investments Inc. and the above 14 shareholders.

According to the information from the SFC referred to above as at 12th June, 2006, the following interests in the Company were recorded:

	Number of Shares held (Shares)	% of total number of issued shares (%)	Cumulative (%)
Accufit Investments Inc. (Note)	199,500,000	74.53	74.53
A group of 14 shareholders	55,790,000	20.84	95.37
Other shareholders	12,403,600	4.63	100.00
	<u>267,693,600</u>	<u>100.00</u>	

Note: Accufit Investments Inc. is a company indirectly wholly-owned by a discretionary trust, the beneficiaries of which are the family members of Mr. Hui King Chun, Andrew being the chairman and executive director of the Company.

To the best knowledge of the directors of the Company ("Directors"), the Board confirms that there has been no change in the shareholding interest held by Accufit Investments Inc. since 12th June, 2006 to the date of this announcement. Having made enquiries with the Directors, apart from Mr. Hui King Chun, Andrew, none of the Directors have any interest in the share capital of the Company at the date of this announcement.

The price of the shares traded upwards from HK\$3.05 on 30th May, 2006 to HK\$4.25 on 13th June, 2006, represented an increase of approximately 39.3%. The Company has issued an announcement on 13th June, 2006 confirming that the Directors were not aware of any reasons for the increase in the price of the shares.

To the best knowledge of the Directors after making proper enquiries, as at 12th June, 2006 to the date of this announcement, the Company confirms sufficient shares of the Company were held by the public in compliance with Rule 8.08 of the Rules Governing the Listing of Securities on the Stock Exchange. However, given that the concentration of the Company's public float was in the hands of a limited number of public shareholders on 12th June, 2006, the Company hereby makes this announcement to keep the market informed.

In view of the high concentration of shareholding in a small number of shareholders, shareholders of and investors in the Company should be aware that the price of the shares could fluctuate substantially even with a small number of shares traded. Shareholders and investors of the Company should exercise extreme caution when dealing in the shares of the Company.

As at the date of this announcement, the executive directors of the Company are Mr. Hui King Chun, Andrew, Mr. Yau Chau Min, Paul, Mr. Hui Bin Long, Mr. Li Chun Ren, Mr. Zhou Jin and Mr. Wang Feng Wu; the independent non-executive directors of the Company are Mr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Mr. Ho Lok Cheong.

By order of the Board
Kith Holdings Limited
Hui King Chun, Andrew
Chairman

Hong Kong, 18th July, 2006

* *For identification only*

Please also refer to the published version of this announcement in The Standard.