



KENFAIR INTERNATIONAL (HOLDINGS) LIMITED

建發國際(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00223)

PROFIT WARNING

The Board wishes to inform the shareholders of the Company and investors that the Group is expected to record an operating loss for the year ended 31 March 2007 and it may record a loss attributable to the shareholders for the year ended 31 March 2007.

Shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Kenfair International (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and investors that the Group is expected to record an operating loss for the year ended 31 March 2007 and it may record a loss attributable to the shareholders for the year ended 31 March 2007.

The Group is principally engaged in the organization of trade fairs and exhibitions, publications, web portal and travel services. During the year ended 31 March 2007, the Group has organized three overseas exhibitions in Europe and USA respectively, due to the increase in the costs of exhibitions, the losses for these exhibitions has been extended as compared to the year ended 31 March 2006. Due to the significantly drop in number of exhibitors, the loss incurred for the Spring Fair 2nd edition held on 9-12 January 2007 was approximately tripled as compared to the year ended 31 March 2006. The Group has engaged an independent valuer to perform the valuation for the value of the intangible assets as at 31 March 2007 and impairment has been made for the intangible assets based on the valuation reports. No impairment has ever been made for the intangible assets in prior years. All these factors would contribute to the operating loss for the year ended 31 March 2007 and such operating loss is in turn expected to contribute to the loss attributable to the shareholders for the year ended 31 March 2007.

As the consolidated results of the Group for the year ended 31 March 2007 have not yet been finalized, the Board is not in a position to quantify precisely the relevant financial effect at this stage. The Company expects to announce its audited consolidated results for the year ended 31 March 2007 on or before the end of July 2007.

Shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Kenfair International (Holdings) Limited
Ip Ki Cheung
Chairman

Hong Kong, 11 July 2007

As at the date of this announcement, the board of directors of the Company consists of Mr. Ip Ki Cheung, Mr. Cheung Shui Kwai and Mr. Chan Siu Chung as executive directors, and Mr. Chan Wing Yau, George, Mr. Lai Yang Chau, Eugene and Mr. Law Sung Ching, Gavin as independent non-executive directors.