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KINGDOM

KINGDOM HOLDINGS LIMITED

金達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 528)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the unaudited interim results of the Group for the six months ended 30 June 2009 may experience a significant loss as compared with the same period for the previous year.

Potential investors and shareholders of the Company should exercise caution when dealing in shares of the Company.

This announcement is made by Kingdom Holdings Limited (the “**Company**”, together with its subsidiaries shall be referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

After preliminary review by the Company’s management based on the management accounts of the Company and its subsidiaries, the board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and the investors that the unaudited interim results of the Group for the six months ended 30 June 2009 may experience a significant loss as compared with the same period for the previous year due to a number of adverse factors. The main contributing factor is the weakening demand for linen in major international markets such as the United States and Europe as a result of the global financial crisis, which in turn has caused price reduction pressures for linen and resulting in a significant drop in the Group’s revenue. The price of imported raw material, purchased at historic high prices last year, has also affected the Group’s earnings.

The information contained in this announcement is only a preliminary estimate performed by the management of the Company and is not based on any figures or information audited or reviewed by the Company's auditors. As the financial statements for the period ended 30 June 2009 have not been finalised, therefore the Company's interim results are not yet available. Further information in relation to the Company's current trading and outlook will be disclosed when the Company releases its interim report.

Potential investors and shareholders of the Company should exercise caution when dealing in shares of the Company.

By Order of the Board of
Kingdom Holdings Limited
Ren Wei Ming
Chairman

Zhejiang, the People's Republic of China
28 August 2009

As at the date of this announcement, the executive directors of the Company are Mr. Ren Wei Ming, Mr. Shen Yueming, and Mr. Zhang Hong Wen; the non-executive directors of the Company are Mr. Ngan Kam Wai Albert and Mr. Tse Chau Shing Mark; and the independent non-executive directors of the Company are Mr. Yang Donghui, Mr. Yu Chongwen and Mr. Lau Ying Kit.