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KEE HOLDINGS COMPANY LIMITED

開易控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2011)

PROPOSED ACQUISITION OF LAND USE RIGHT IN THE PRC

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

The Board is pleased to announce that on 18 May 2011, KEE Guangdong (開易廣東), a wholly owned subsidiary of the Company, has entered into the Agreement with Jingmen Municipal People's Government (荊門市人民政府) in Hubei Province, the PRC, setting out the basic logistics and terms relating to the Proposed Acquisition of land use right of the Land through the process of bidding invitation, auction and listing (招拍掛) as required under the laws and regulations of the PRC.

The Proposed Acquisition, if materialized by successful bidding, may constitute a notifiable transaction for the Company under Chapter 14 the Listing Rules and the Company will comply with the relevant requirements under Chapter 14 of the Listing Rules.

Since there is no certainty that KEE Guangdong (開易廣東) can make a successful bidding, the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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PRINCIPAL TERMS OF THE AGREEMENT

The principal terms of the Agreement are summarised below:

Date

18 May 2011

Parties

1. KEE Guangdong (開易廣東), which is a wholly owned subsidiary of the Company, is principally engaged in the manufacture and sale of zipper products; and
2. Jingmen Municipal People's Government (荊門市人民政府), which is a PRC Governmental Body, among other things, is in charge of management of the land resources in Jingmen Municipality.

To the best of the knowledge, information and belief of the Directors and after making all reasonable enquiries, Jingmen Municipal People's Government (荊門市人民政府) is a third party independent of the Company and its connected persons (as defined in the Listing Rules) and is not a connected person (as defined in the Listing Rules) of the Company.

Information on the Land

The Land to be offered under the process of bidding invitation, auction or listing (招拍掛) is with a total estimated area of approximately 270 mu (畝) located at the Eastern side of Longjin Road (龍井路以東), the Southern side of Chuangye Road No. 1 (創業一路以南), the Western side of Keji Road No.4 (科技四路以西) and the Northern side of Chuangye Road No. 2 (創業二路以北) of Jingmen Economic Development Zone (荊門經濟開發區) in Hubei Province, the PRC. The Land may be developed for industrial use and the duration of the land use right of the Land is 50 years.

The Land, if successfully acquired, will be used to develop a new manufacturing plant to augment the operation and production capacities of the Group.

Consideration

If KEE Guangdong (開易廣東) makes a successful bid for the land use right in respect of the Land through the process of bidding invitation, auction or listing (招拍掛), KEE Guangdong (開易廣東) or its wholly-owned subsidiary will enter into a contract for the transfer of the land use right ("**State-owned Land Use Right Transfer Agreement**") (國有土地使用權出讓合同) in respect of the Land within a prescribed period with Jingmen Municipal People's Government (荊門市人民政府) or its relevant land bureau and will pay the consideration. The final consideration shall be based on the outcome of the process of bidding invitation, auction or listing (招拍掛) and the terms of the State-owned Land Use Right Transfer Agreement (國有土地使用權出讓合同).

The Proposed Acquisition, if materialized by successful bidding, will be financed from the listing proceeds of the Company, which is consistent with the usage of the listing proceeds as stated in the Prospectus.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group is a producer of finished zippers in the PRC. KEE Guangdong (開易廣東) is a wholly owned subsidiary of the Company in the PRC and it is principally engaged in the manufacture and sale of zipper products.

The Directors consider that the Proposed Acquisition, if materialized by successful bidding, will enable the Group to develop a new manufacturing plant including electroplating facilities to augment its operation and production capacities. Accordingly, the production capacity will be expanded and more revenue is expected to be generated. The Directors consider that the Proposed Acquisition is in the interests of the Company and its Shareholders as a whole.

The Proposed Acquisition, if materialized by successful bidding, may constitute a notifiable transaction for the Company under Chapter 14 the Listing Rules and the Company will comply with the relevant requirements under Chapter 14 of the Listing Rules.

Since there is no certainty that KEE Guangdong (開易廣東) can make a successful bidding, the Proposed Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following expressions have the meanings set out below:

“Agreement”	the agreement entered into on 18 May 2011 by KEE Guangdong (開易廣東) and Jingmen Municipal People’s Government (荊門市人民政府) in Hubei Province, the PRC, setting out the basic logistics and terms relating to the Proposed Acquisition through the process of bidding invitation, auction and listing (招拍掛) as required under the laws and regulations of the PRC
“Board”	the board of Directors
“Company”	KEE Holdings Company Limited (開易控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries

“Jingmen Municipal People’s Government”	Jingmen Municipal People’s Government (荊門市人民政府), a PRC Governmental Body
“KEE Guangdong”	KEE (Guangdong) Garment Accessories Limited (開易(廣東)服裝配件有限公司), a wholly owned subsidiary of the Company established in the PRC with limited liability
“Land”	a piece of land with a total estimated area of approximately 270 mu (畝) located at the Eastern side of Longjin Road (龍井路以東), the Southern side of Chuangye Road No. 1 (創業一路以南), the Western side of Keji Road No.4 (科技四路以西) and the Northern side of Chuangye Road No. 2 (創業二路以北) of Jingmen Economic Development Zone (荊門經濟開發區) in Hubei Province, the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Acquisition”	the proposed acquisition of land use right of the Land
“Prospectus”	the prospectus of the Company dated 31 December 2010
“PRC”	the People’s Republic of China (and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan)
“PRC Governmental Body”	has the meaning defined in Chapter 19A of the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
KEE HOLDINGS COMPANY LIMITED
Xu Xipeng
Chairman

Hong Kong, 18 May 2011

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr. Xu Xipeng

Mr. Xu Xinan

Mr. Yang Shaolin

Non-executive Director:

Mr. Chow Hoi Kwang, Albert

Independent non-executive Directors:

Mr. Lin Bin

Mr. Kong Hing Ki

Mr. Tam Yuk Sang, Sammy