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## **KASEN INTERNATIONAL HOLDINGS LIMITED**

**卡森國際控股有限公司**

*(An exempted company incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 496)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF LAND IN HAINING**

The Board wishes to announce that Haining Kasen, an indirect wholly-owned subsidiary of the Company, has successfully tendered for the Land which is located in Haining for RMB94,800,000 (equivalent to approximately HK\$112,096,488).

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules.

#### **THE ACQUISITION**

##### **Date of the Tender**

18 February 2011

##### **Parties involved in the Tender**

- (1) Haining Bureau of Land and Resources
- (2) Haining Kasen

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, Haining Bureau of Land and Resources and its ultimate beneficial owner are independent third parties not connected with the Company or any of its subsidiaries or any of their respective directors, chief executive or substantial shareholders or any of their respective associates.

Pursuant to the Tender, Haining Kasen has acquired the Land.

##### **Consideration**

The consideration for the Acquisition of the Land is RMB94,800,000 (equivalent to approximately HK\$112,096,488), which is determined after a public bidding process and the Directors consider that the consideration is fair and reasonable having taking into account the location and development potential of the Land.

The consideration will be satisfied by the internal resources of the Group and is payable in full before 26 April 2011.

## **The Land**

The Land is located in the suburbs of Haining, the PRC, and is currently owned by Haining Municipal People's Government. It has a total site area of 58,382 square metres and has been approved for residential and commercial development purposes. The term of the grant is 70 years for residential premises and 40 years for commercial premises. It is expected that the Land will be developed into residential and commercial properties.

## **Reason for the Transaction**

The Company is an investment holding company. Its subsidiaries are principally engaged in the production of finished leather or fully assembled leather products and property development business.

With the continuous growth in the property market in the PRC and in order to strengthen and diversify the Group's business to the property development sector which is expected to provide positive contributions to the operation of the Group in the long run, the Directors believe that the Acquisition will provide the Group with a good opportunity to further participate in project development in Haining City, Zhejiang Province, which is located between Shanghai and Hangzhou and enjoys the convenient traffic. The Directors consider that the Acquisition has been made on normal commercial terms and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that the Acquisition is in the interest of the Company and the Shareholders as a whole.

## **GENERAL**

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings unless otherwise requires:

“Acquisition”	the acquisition of the Land pursuant to the Tender
“Board”	the board of directors of the Company
“Company”	Kasen International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Haining Bureau of Land and Resources”	海寧市國土資源局 (Haining Bureau of Land and Resources), a government department responsible for land and resources under the Haining Municipal People's Government

“Haining Kasen”	Haining Kasen Property Co., Ltd (海寧卡森地產有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Land”	a parcel of land which is located in the north side of Xiaxie Road, Haining City, Zhejiang Province, the PRC with a total site area of 58,382 square metres to be acquired by Haining Kasen pursuant to the Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	the tender for the Land arranged by the Haining Bureau of Land and Resources on behalf of Haining Municipal People’s Government
“%”	per cent.

*For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at HK\$1.00 = RMB0.8457.*

By Order of the Board  
**Kasen International Holdings Limited**  
**Zhu Zhangjin**  
*Chairman*

PRC, 18 February 2011

*As at the date of this announcement, the executive directors of the Company are Mr. Zhu Zhangjin, Mr. Zhou Xiaosong and Mr. Zhang Mingfa, Michael; and the independent non-executive directors of the Company are Mr. Chow Joseph, Dr. Li Qingyuan and Mr. Gu Mingchao.*

Website: <http://www.irasia.com/listco/hk/kasen/index.htm>