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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)

**CONTINUING CONNECTED TRANSACTION
IN RELATION TO THE COOPERATION AGREEMENT**

COOPERATION AGREEMENT

The Board is pleased to announce that on 12 July 2016, Tianjin Vitality, an indirect wholly-owned subsidiary of the Company, and Yumafang Property entered into the Cooperation Agreement, pursuant to which Yumafang Property agreed to engage Tianjin Vitality in providing promotion, marketing and planning related Services for the property development project conducted by Yumafang Property for a term of one year commencing from the date of the Cooperation Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhonghong, a controlling shareholder of the Company, indirectly owns the entire equity interest in Yumafang Property. Accordingly, Yumafang Property is a connected person of the Company and the entering into of the Cooperation Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Since all of the applicable percentage ratios as defined under the Listing Rules in respect of the transactions contemplated under the Cooperation Agreement exceed 0.1% but are less than 5% and the annual cap under the Cooperation Agreement is not less than HK\$3,000,000, the continuing connected transaction contemplated under the Cooperation Agreement is subject to reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

None of the Directors of the Company has material interest in the Cooperation Agreement and the transactions contemplated thereunder and hence no Director is required to abstain from voting on the relevant resolutions of the Board approving the same.

COOPERATION AGREEMENT

The Board is pleased to announce that on 12 July 2016, Tianjin Vitality, an indirect wholly-owned subsidiary of the Company, and Yumafang Property entered into the Cooperation Agreement, pursuant to which Yumafang Property agreed to engage Tianjin Vitality as an agent in providing promotion, marketing and planning related Services to Yumafang Property for a term of one year commencing from the date of the Cooperation Agreement.

The principal terms of the Cooperation Agreement are summarised as follows:

Date: 12 July 2016 (after trading hours)

Parties: (i) Tianjin Vitality, an indirect wholly-owned subsidiary of the Company; and
(ii) Yumafang Property

As at the date of this announcement, Yumafang Property is indirectly wholly-owned by Zhonghong, which holds 75% of the issued share capital of the Company. Yumafang Property is principally engaged in property development in the PRC.

Term: One year commencing from the date of the Cooperation Agreement.

Scope of Services: Yumafang Property agreed to engage Tianjin Vitality as an agent to provide the following services (the “**Services**”) to the Yumafang Property: (i) the online and offline advertising and promotion activities, event organisation, planning, marketing, promotion planning, brand building and promotion of the Yumafang Property; and (ii) the online and offline advertising and promotion activities, event organisation, planning, marketing, promotion planning for the property development project conducted by Yumafang Property.

Tianjin Vitality may from time to time engage external cooperation entities which are independent third parties to assist Tianjin Vitality in carrying out the Services as requested by Yumafang Property. The total expenses (the “**Cooperation Expenses**”) incurred by Tianjin Vitality relating to the engagement of external cooperation entities for carrying out the Services during the term of the Cooperation Agreement shall be reimbursed by Yumafang Property, which shall not exceed RMB5,000,000 (equivalent to approximately HK\$5,850,000).

Service Fee: The service fee (the “**Service Fee**”) charged by Tianjin Vitality will be 6.5% of the Cooperation Expenses incurred by Tianjin Vitality for carrying out the Services, which will not exceed RMB325,000 (equivalent to approximately HK\$380,000) based on the maximum amount of the Cooperation Expenses of RMB5,000,000 (equivalent to approximately HK\$5,850,000).

Payment: *For Cooperation Expenses:*

Tianjin Vitality shall provide to Yumafang Property all the invoices, agreement and payment receipt for determination of the Cooperation Expenses for the previous month before the fifth calendar day of each month. Upon confirmation by both parties, Yumafang Property shall pay the Cooperation Expenses for the previous month on or before the 15th calendar day of each month.

For Service Fee charged by Tianjin Vitality:

Once the Cooperation Expenses have been confirmed, Yumafang Property shall pay the Service Fee for the previous month to Tianjin Vitality on or before the 15th calendar day of each month.

The rate of the Service Fee was arrived at after arm’s length negotiations between Tianjin Vitality and Yumafang Property and based on the market rate having regard to the type, location and progress of Yumafang Property’s property development project, which will not be lower than the rate of service fee to be charged by Tianjin Vitality for similar services to be provided to independent third parties for similar property developers and property development project. The Directors, including the independent non-executive Directors, are of the view that the rate of the Service Fee is fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

ANNUAL CAP

Pursuant to the Cooperation Agreement, the maximum annual aggregate amount payable by Yumafang Property to Tianjin Vitality under the Cooperation Agreement (including the Cooperation Expenses and the Service Fee) during the term of the Cooperation Agreement shall not exceed RMB5,325,000 (equivalent to approximately HK\$6,230,000). The annual cap was determined based on the maximum amount of Cooperation Expenses and the corresponding Service Fee payable to Tianjin Vitality under the Cooperation Agreement.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE COOPERATION AGREEMENT

The Group is principally engaged in manufacturing finished zippers and other garment accessories in China. In order to diversify and expand the business scope of the Group, Tianjin Vitality was established in the PRC with business scope in enterprise sales planning, enterprise image planning, business information consultation, conference services, exhibition display services, real estate information consultation and real estate agency.

The Directors consider that the entering into of the Cooperation Agreement would allow the Company to diversify and expand the business scope of the Group into the area of provision of real estate related services and provide a new income stream to the Group. Having considered the factors as mentioned above, the Directors (including the independent non-executive Directors) are of the view that the Cooperation Agreement has been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhonghong, a controlling shareholder of the Company, indirectly owns the entire equity interest in Yumafang Property. Accordingly, Yumafang Property is a connected person of the Company and the entering into of the Cooperation Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Since all of the applicable percentage ratios as defined under the Listing Rules in respect of the transactions contemplated under the Cooperation Agreement exceed 0.1% but are less than 5% and the annual cap under the Cooperation Agreement is not less than HK\$3,000,000, the continuing connected transaction contemplated under the Cooperation Agreement is subject to reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

None of the Directors of the Company has material interest in the Cooperation Agreement and the transactions contemplated thereunder and hence no Director is required to abstain from voting on the relevant resolutions of the Board approving the same.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	KEE Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Cooperation Agreement”	the cooperation agreement dated 12 July 2016 entered into between Tianjin Vitality and Yumafang Property in respect of the provision of the Services by Tianjin Vitality to Yumafang Property
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Services”	has the meaning ascribed to it under the section headed “Cooperation Agreement” of this announcement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Vitality”	天津活力營銷顧問有限公司 (Tianjin Vitality Marketing Consultancy Company Limited [#]), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company
“Yumafang Property”	御馬坊置業有限公司 (Yumafang Property Company Limited [#]), a company established in the PRC with limited liability which is indirectly wholly-owned by Zhonghong
“Zhonghong”	中弘控股股份有限公司 (Zhonghong Holding Co., Limited [#]), a joint stock company established under the laws of the PRC with limited liability, the shares of which are quoted on the Shenzhen Stock Exchange (Stock code: 000979.SZ)

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency in the PRC
“%”	per cent

For ease of reference and unless otherwise specified in this announcement, sums in HK\$ and RMB in this announcement have been translated at the rate RMB1.0 = HK\$1.17. This does not mean that HK\$ could be converted into RMB, or vice versa, based on such exchange rate.

[#] *The English translation or transliteration of the Chinese name(s) in this announcement, where indicated, is included for information purposes only, and should not be regarded as the official English name(s) of such Chinese name(s).*

By Order of the Board
KEE Holdings Company Limited
Wu David Hang
Chairman

Hong Kong, 12 July 2016

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

Executive Directors:

Mr. Wu David Hang
Mr. Hou Jian

Independent non-executive Directors:

Mr. Wong Yik Chung John
Mr. Tse Calvin Kai Chuen
Mr. Leung Ka Tin