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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)

**STRATEGIC PLACING OF NEW SHARES UNDER
GENERAL MANDATE**

The Directors are pleased to announce that, on 26 June 2017, the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Company has agreed to issue and the Subscriber has agreed to subscribe for 30,000,000 Subscription Shares at a Subscription Price of HK\$1.00 per Subscription Share.

The 30,000,000 Subscription Shares to be allotted and issued to the Subscriber represent (i) approximately 6.90% of the existing issued share capital of the Company of 434,804,000 Shares as at the date of this announcement; and (ii) approximately 6.45% of the Company's issued share capital of 464,804,000 Shares as enlarged by the issue and allotment of the Subscription Shares (assuming that there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion save for the issue of such Subscription Shares).

The Subscription Price of HK\$1.00 was determined after arm's length negotiations between the Company and the Subscriber with reference to the recent trading prices of the Shares. The Subscription Price represents (i) a discount of approximately 17.4% of the closing price of HK\$1.21 per Share as quoted on the Stock Exchange on 26 June 2017, being the date of the Subscription Agreement; and (ii) a discount of approximately 19.9% of the average closing price of HK\$1.248 per Share as quoted on the Stock Exchange for five consecutive trading days immediately prior to the date of the Subscription Agreement.

The gross proceeds in cash from the Subscription are approximately HK\$30,000,000.00. The net proceeds from the Subscription, after deduction of related expenses, are estimated to be approximately HK\$29,500,000.00. The net proceeds from the Subscription will be approximately HK\$0.983 per Subscription Share. The net proceeds from the Subscription are intended to be used for financing any potential investment opportunities of the Group that may arise from time to time.

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM. As the Subscription Shares will be issued under the General Mandate, the allotment and issue of the Subscription Shares is not subject to Shareholders' approval.

Shareholders and potential investors should note that the Completion is subject to the fulfilment of the conditions under the Subscription Agreement and may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares of the Company.

The Directors are pleased to announce that, on 26 June 2017, the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Company has agreed to issue and the Subscriber has agreed to subscribe for 30,000,000 Subscription Shares at a Subscription Price of HK\$1.00 per Subscription Share.

THE SUBSCRIPTION AGREEMENT

Set out below are the salient terms of the Subscription Agreement:

Date

26 June 2017

Parties

- (a) The Company, as issuer; and
- (b) The Subscriber, as subscriber.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owner is an Independent Third Party.

Number of Subscription Shares

Pursuant to the Subscription Agreement, 30,000,000 Subscription Shares will be allotted and issued to the Subscriber. The 30,000,000 Subscription Shares to be allotted and issued to the Subscriber represent (i) approximately 6.90% of the existing issued share capital of the Company of 434,804,000 Shares as at the date of this announcement; and (ii) approximately 6.45% of the Company's issued share capital of 464,804,000 Shares as enlarged by the issue and allotment of the Subscription Shares (assuming that there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion save for the issue of such Subscription Shares).

The aggregate nominal value of the Subscription Shares under the Subscription is HK\$300,000.00.

Subscription Price

The Subscription Price of HK\$1.00 per Subscription Share represents:

- (i) a discount of approximately 17.4% of the closing price of HK\$1.21 per Share as quoted on the Stock Exchange on 26 June 2017, being the date of the Subscription Agreement; and
- (ii) a discount of approximately 19.9% of the average closing price of HK\$1.248 per Share as quoted on the Stock Exchange for five consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the recent trading prices of the Shares. The Directors consider that the terms and conditions of the Subscription Agreement (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The aggregate consideration for the Subscription is HK\$30,000,000.00 and shall be payable by the Subscriber upon Completion in cash. The net proceeds from the Subscription, after deduction of related expenses, are estimated to be approximately HK\$29,500,000.00. The net Subscription Price (net of expenses) is approximately HK\$0.983 per Subscription Share.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will be fully paid and rank pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of such Subscription Shares.

Conditions Precedent

Completion shall be subject to the following conditions being satisfied:

- (1) the listing of the Shares not having been revoked and the Shares continuing to be listed on the Stock Exchange before Completion (save for any temporary suspension in trading pending the release of an announcement in connection with the Subscription Agreement), the Stock Exchange or the Securities and Futures Commission not having expressed that it will raise any objection against the listing status of the Shares or require the trading of Shares to be suspended due to the transactions contemplated under the Subscription Agreement or any reasons in connection with the transactions contemplated thereunder;
- (2) the Stock Exchange granting the approval for the listing of the Subscription Shares, and such approval not having been revoked before Completion;
- (3) the compliance of any other requirements under the Listing Rules by the Company in relation to the Subscription Agreement and the transactions contemplated hereunder (including but not limited to the issue and allotment of the Subscription Shares);

- (4) the Board of the Company having passed all necessary resolutions in approving, among other things, the Subscription Agreement and the transactions contemplated hereunder (including but not limited to the issue and allotment of the Subscription Shares);
- (5) the representations and warranties given by the Company under the Subscription Agreement being true, correct and complete when made and remaining true, correct and complete and not misleading as at the date of Completion; and
- (6) (where required) the obtaining of all necessary approvals and consents from any government or regulatory authority or any person and the completion of all necessary filings with any government or regulatory authority required for the entering into of the Subscription Agreement and/or the performance of its obligations hereunder by the Company (including but not limited to the issue and allotment of the Subscription Shares).

Save for conditions (1), (2) and (3) above, the Subscriber has the right to waive the conditions above in whole or in part.

Completion

Completion shall take place on the 10th Business Day following the satisfaction of the conditions set out above or such other date as agreed in writing by the Company and the Subscriber.

Termination

If any of the conditions above is not fulfilled before 31 July 2017 (or such other date as the Company and the Subscriber may agree in writing), or if the Company and the Subscriber agree in writing that the Subscription Agreement shall be terminated, all rights and obligations of the parties to the Subscription Agreement will then cease and determine and none of the parties to the Subscription Agreement shall have any claim against the other party save for any antecedent breaches of the Subscription Agreement.

REASONS FOR THE ISSUE OF THE SUBSCRIPTION SHARES AND USE OF PROCEEDS

The Directors consider that the terms of the Subscription Agreement including the Subscription Price are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors are of the view that the Subscription can strengthen the financial position of the Group and provide additional working capital to the Group to meet any future development and obligations. The Subscription also represents good opportunities to broaden the shareholder base and the capital base of the Company. As disclosed above, the net proceeds from the Subscription will be approximately HK\$29,500,000.00. It is expected that the net proceeds from the Subscription will be utilised for financing any potential investment opportunities of the Group that may arise from time to time.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 434,804,000 Shares in issue. The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion (assuming that there will be no change in the issued share capital and shareholding structure of the Company between the date of the Subscription Agreement and Completion) are as follows:

	As at the date of this announcement		Immediately after Completion	
	<i>Number of Shares directly or indirectly held</i>	<i>Approximate percentage of the issued share capital of the Company</i>	<i>Number of Shares directly or indirectly held</i>	<i>Approximate percentage of the issued share capital of the Company</i>
Glory Emperor Trading Limited	326,089,600	75.00%	326,089,600	70.16%
Public Shareholders				
The Subscriber	—	—	30,000,000	6.45%
Other public shareholders	<u>108,714,400</u>	<u>25.00%</u>	<u>108,714,400</u>	<u>23.39%</u>
	<u>434,804,000</u>	<u>100.00%</u>	<u>464,804,000</u>	<u>100.00%</u>

INFORMATION ON THE PARTIES

The Company and the Group

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 6 July 2010 and the Shares of which have been listed on the Main Board of the Stock Exchange since January 2011. The Group is principally engaged in manufacturing finished zippers in the PRC.

The Subscriber

The Subscriber, CM Equities SP, is a segregated portfolio of CM SPC which is an exempted segregated portfolio company with limited liability incorporated under the laws of the Cayman Islands and is principally engaged in investment activities. CM SPC is a wholly owned subsidiary of China Minsheng Financial Holding Corporation Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 245).

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any capital fund raising activities in the 12 months period immediately before the date of this announcement.

APPLICATION FOR LISTING

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

GENERAL MANDATE

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM held on 19 May 2017, under which the Directors are authorised to issue Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the AGM, which is equivalent to a maximum issue of additional 86,960,800 Shares.

As at the date of the Subscription Agreement, the General Mandate has not been utilised and the Directors are allowed to issue up to 86,960,800 new Shares under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares. As the Subscription Shares will be issued under the General Mandate, the allotment and issue of the Subscription Shares is not subject to Shareholders' approval.

Shareholders and potential investors should note that the Completion is subject to the fulfilment of the conditions under the Subscription Agreement and may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares of the Company.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 19 May 2017
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays) on which banks are open for business in Hong Kong
“Company”	KEE Holdings Company Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands on 6 July 2010, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules

“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the resolution of the Shareholders passed at the AGM to allot, issue and deal with Shares and to make or grant offers, agreements and options which may require Shares to be issued, allotted or dealt with, which is subject to the limit of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	person(s) who is/are independent of the Company and its connected persons and their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, excluding (except where the context requires) Hong Kong, Macau Special Administrative Region and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	has the meaning described under the paragraph headed “Information of the Parties — The Subscriber” in this announcement
“Subscription”	the subscription by the Subscriber of the Subscription Shares pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 26 June 2017 entered into among the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$1.00 per Subscription Share

“Subscription Share(s)” new Share(s) to be allotted and issued to the Subscriber pursuant to the Subscription Agreement, comprising a total of 30,000,000 new Shares to be allotted and issued to the Subscriber

“%” per cent.

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

Hong Kong, 26 June 2017

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