



KASEN INTERNATIONAL HOLDINGS LIMITED

(卡森國際控股有限公司)

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 496)

ANNOUNCEMENT

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

Reference is made to the announcement of the Company dated 16 March 2007 and the circular of the Company dated 4 April 2007 in relation to the Acquisition of the Land and the formation of the Joint Venture which formed a series of transactions and constituted discloseable transactions of the Company under Rule 14.06 of the Listing Rules.

The Board wishes to announce that pursuant to a letter issued by the Haining Higher Point dated 27 March 2007 and the confirmation given by Changsha Land Market Administration Department dated 11 April 2007, the deadline for signing of the formal land use right granting contract between a wholly-owned subsidiary to be established by the Joint Venture and Changsha Municipal Bureau of State Land and Resources for the wholly-owned subsidiary of the Joint Venture to take up the land use rights in respect of the Land shall be extended from 12 April 2007 to 30 July 2007 in view of additional time required to complete the legal procedures and formalities for the establishments of the Joint Venture and the wholly-owned subsidiary of the Joint Venture.

Reference is made to the announcement of the Company dated 16 March 2007 (the “**Announcement**”) and the circular of the Company dated 4 April 2007 (the “**Circular**”) in relation to the Acquisition of the Land and the formation of the Joint Venture which formed a series of transactions and constituted discloseable transactions of the Company under Rule 14.06 of the Listing Rules. Unless otherwise stated herein, terms used in this announcement shall have the same meanings as defined in the Announcement and the Circular.

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

The Acquisition and the formation of the Joint Venture

The Board announced on 16 March 2007 that the Tender submitted by Haining Higher Point, a wholly-owned subsidiary of the Company for the Acquisition of the Land for an aggregate consideration of RMB253.75 million (equivalent to approximately HK\$256.31 million) was confirmed. The Group, Haining Leather Market, and Haining Zhengyang Trading will form a Joint Venture to hold and develop the Land as a leather product retail mall.

The Acquisition of the Land and the formation of the Joint Venture form a series of transactions which should be treated as if they were one transactions under Rule 14.22 of the Listing Rules. Upon aggregation, these transactions constitute discloseable transactions of the Company under Rule 14.06 of the Listing Rules.

The Tender was confirmed by an auction confirmation signed by Changsha Land Market Administration Department and Haining Higher Point dated 29 January 2007. Pursuant to the auction confirmation, a formal land use right granting contract shall be signed with Changsha Municipal Bureau of State Land and Resources to take up the land use rights in respect of the Land on or before 12 April 2007, otherwise the Tender will be terminated.

The Board further announced that under the oral agreement between the Joint Venture Partners, the Joint Venture Partners had agreed to form a Joint Venture to hold and develop the Land as a leather product retail mall. To form a proper corporate structure, the Joint Venture Partners intend that the Joint Venture will establish a wholly-owned subsidiary to sign the formal land use right granting contract with Changsha Municipal Bureau of State Land and Resources to transfer the legal title to such wholly-owned subsidiary.

Extension of the deadline for signing of the formal land use right granting contract and the reason of the extension

The Board wishes to announce that pursuant to a letter issued by the Haining Higher Point dated 27 March 2007 and the confirmation given by Changsha Land Market Administration Department dated 11 April 2007, the deadline for signing of the formal land use right granting contract between the wholly-owned subsidiary to be established by the Joint Venture and Changsha Municipal Bureau of State Land and Resources for the wholly-owned subsidiary of the Joint Venture to take up the land use rights in respect of the Land shall be extended from 12 April 2007 to 30 July 2007 in view of additional time required to complete the legal procedures and formalities for the establishments of the Joint Venture and the wholly-owned subsidiary of the Joint Venture.

Effect on the Group

The Board consider that the extension of the deadline for signing of the formal land use right granting contract from 12 April 2007 to 30 July 2007 will not have any material adverse effect on the results of operation of the Group.

As at the date of this announcement, the executive directors of the Company are Mr. Zhu Zhangjin, Mr. Zhou Xiaosong and Mr. Zhu Jianqi, the non-executive director of the Company is Mr. Li Hui, the independent non-executive directors are Mr. Lu Yungang, Mr. Chow Joseph and Mr. Zhang Huaqiao.

By Order of the Board
Kasen International Holdings Limited
Yiu Hoi Yan
Company Secretary

Hong Kong, 13 April 2007

*Please also refer to the published version of this announcement in
The Standard and Sing Tao Daily.*