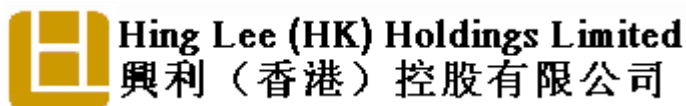


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(Incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability)

(Stock Code: 396)

**CONNECTED TRANSACTION
ACQUISITION OF 22% OF THE ISSUED SHARE CAPITAL
OF HANDER INTERNATIONAL LIMITED**

Acquisition of 22% of the issued share capital of Hander International Limited

On 15 September 2010, Springrich, being an indirect wholly-owned subsidiary of the Company, entered into the Agreement with Cheernew in relation to the acquisition of the Sale Shares at a total consideration of HK\$9,100,000.00.

Implications under the Listing Rules

Prior to completion of the Acquisition, Hander is indirectly owned as to 78% by the Company (through Springrich) and 22% by Cheernew. Immediately after completion of the Acquisition, Hander will become an indirect wholly owned subsidiary of the Company. Cheernew, being a substantial shareholder of Hander, is a connected person of the Company. As the applicable percentage ratios for the Acquisition are more than 0.1% but less than 5%, the Acquisition constitutes connected transaction exempted from the independent Shareholders' approval requirement for the Company under Rule 14A of the Listing Rules.

**ACQUISITION OF 22% OF THE ISSUED SHARE CAPITAL OF HANDER
INTERNATIONAL LIMITED**

The Agreement

On 15 September, Springrich, being an indirect wholly-owned subsidiary of the Company, entered into the Agreement with Cheernew in relation to the acquisition of the Sale Shares at a total consideration of HK\$9,100,000.00. The principal terms of the Agreement are set out below:

Date: 15 September 2010

The Purchaser: Springrich Investments Limited, an indirect wholly-owned subsidiary of the Company.

The Vendor: Cheernew Investments Limited

Sale Shares: 22 ordinary shares of HK\$1.00 each representing 22% of the issued share capital of Hander, which are held by Cheernew prior to completion of the Acquisition.

Consideration: The consideration for the acquisition of Sale Shares is HK\$9,100,000.00.

Consideration shall be payable by Springrich to Cheernew in cash in the following manner:-

- (a) as to HK\$4,550,000.00 payable upon completion of the Acquisition; and
- (b) as to the remaining balance of HK\$4,550,000.00 payable within 7 business days after the issue of Hander's audited accounts for the financial year ending 31 December 2010.

Completion Completion shall take place within 14 days after the signing of the Agreement or at such other date as shall be mutually agreed by Cheernew and Springrich.

The consideration for the Acquisition was determined after arm's length negotiation between Springrich and Cheernew based on normal commercial terms and with reference to the existing operating results, earning capacity, overall financial performance and the net asset value of the Hander Group as at 30 June 2010.

The consideration for the Acquisition will be funded by the internal resources of the Group.

INFORMATION ON HANDER

Hander is a company incorporated on 12 November 2007 in Hong Kong with limited liability. Before completion of the Acquisition, Hander is owned as to 78% by Springrich and 22% by Cheernew. The principal business of Hander is investment holding and its principal asset as at the date hereof is its 100% equity interest in Dongguan Super Furniture.

Dongguan Super Furniture is a wholly foreign-owned enterprise established in the PRC on 14 October 2005 and a member of the Group, which is currently wholly-owned by Hander. The principal business of Dongguan Super Furniture is manufacture and sale of mattresses.

The financial highlights of Hander Group are set out below:-

	For year ended 31 December 2008 (HK\$'000)	For the year ended 31 December 2009 (HK\$'000)	For the six months ended 30 June 2010 (HK\$'000)
Total assets value	27,924	30,247	34,887
Net assets	9,500	13,464	15,420
Profit before taxation and extraordinary items	785	4,523	2,053
Profit after taxation and extraordinary items	677	3,933	1,735

Note: The financial figures for each of the two financial years ended 31 December 2009 and 2008 were based on the audited financial statements of Hander and Dongguan Supper Furniture. The financial figures for the six months ended 30 June 2010 were unaudited.

After completion of the Acquisition, Hander will be wholly owned by Springrich and become an indirect wholly-owned subsidiary of the Company.

REASONS AND BENEFITS FOR THE ACQUISITION

The principal business activities of the Group are the design, manufacture, sale and marketing of home furniture products including mainly wood-based furniture and mattresses and licensing of its own brands and product designs.

Cheernew is principally engaged in investment holding.

The acquisition would be beneficial to the Group as the Group could further share the profit generated by Hander.

The Directors (including the independent non-executive Directors) consider the terms of the Agreement have been made on normal commercial terms and are fair and reasonable and the Acquisition is in the interest of the Company and the Shareholders as a whole. The Directors confirm that they do not have any material interest in the Acquisition. Therefore, no Directors have abstained from voting on the board resolution for approving the Acquisition.

IMPLICATIONS UNDER THE LISTING RULES

Prior to completion of the Acquisition, Hander is indirectly owned as to 78% by the Company (through Springrich) and 22% by Cheernew. Immediately after completion of the Acquisition, Hander will become an indirect wholly-owned subsidiary of the Company. Cheernew, being a substantial shareholder of Hander, is a connected person of the Company. As the applicable percentage ratios for the Acquisition are more than 0.1% but less than 5%, the Acquisition constitutes connected transaction exempted from the independent Shareholders' approval requirement for the Company under Rule 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“Acquisition”	the acquisition of Sale Shares;
“Board” or “Director(s)”	the board of directors of the Company;
“Cheernew”	Cheernew Investments Limited, a company incorporated in the British Virgin Islands, the entire issued share capital of which is wholly-owned by an independent third party save for his interest in Hander through Cheernew;
“Company”	Hing Lee (HK) Holdings Limited, a company incorporated in the British Virgin Islands and re-domiciled and continued in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“connected person”	the meaning ascribed to it in the Listing Rules;
“Dongguan Super Furniture”	東莞興展家具有限公司 (Dongguan Super Furniture Company Limited*), a wholly foreign-owned enterprise incorporated in the PRC on 14 October 2005 and a wholly-owned subsidiary of Hander;
“Group”	the Company and its subsidiaries;
“Hander”	Hander International Limited (興益國際有限公司), a company incorporated in Hong Kong on 12 November 2007 and owned as to 78% by the Company (through Springrich) and 22% by Cheernew prior to the completion of the Acquisition
“Hander Group”	Hander and its wholly-owned subsidiary namely “Dongguan Super Furniture”
“Hong Kong”	The Hong Kong Special Administrative Region of the People's Republic of China;

“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China;
“Sale Shares”	22 ordinary shares of HK\$1.00 each representing 22% of the issued share capital of Hander, which are held by Cheernew prior to the completion of the Acquisition
“Shareholder(s)”	shareholder(s) of the Company;
“Springrich”	Springrich Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent.

* For identification purpose only

By Order of the Board
Hing Lee (HK) Holdings Limited
Sung Kai Hing
Chairman

Hong Kong, 15 September 2010

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Sung Kai Hing and Mr. Cheung Kong Cheung, one non-executive Director, namely Mr. Fang Yan Zau, Alexander, and three independent non-executive Directors, namely Mr. Sun Jian, Ms. Shao Hanqing and Mr. Kong Hing Ki.