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KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

COURT SANCTION OF THE PROPOSED CAPITAL REDUCTION; CHANGE IN BOARD LOT SIZE; FREE EXCHANGE OF SHARE CERTIFICATES; AND TRADING ARRANGEMENTS

The Board is pleased to announce that the Court has granted an order confirming the Capital Reduction in the hearing of the Petition held on 3 November 2009.

Upon registration of the Confirming Order and Minute with the Companies Registrar (which is expected to be after 4:00 p.m. on 6 November 2009), the Capital Reduction, as well as the Change in Board Lot Size, will become effective.

Dealings in the New Shares will commence at 9:30 a.m. on 9 November 2009. The attention of the Shareholders and the investors is drawn to the arrangements set out below regarding the exchange of share certificates and the trading of odd lots of the New Shares.

References are made to the circular of the Company dated 29 June 2009 (the “**Circular**”) and the announcements of the Company dated 11 September 2009 and 14 October 2009 (the “**Announcements**”) in relation to the Capital Reduction and the Change in Board Lot Size. Unless otherwise defined herein, capitalized terms used in this announcement shall have same meanings as those defined in the Circular and the Announcements.

THE PROPOSED CAPITAL REDUCTION

The Board is pleased to announce that the Court has granted an order confirming the Capital Reduction in the hearing of the Petition held on 3 November 2009. Upon registration of the Confirming Order and Minute with the Companies Registrar (which is expected to be after 4:00 p.m. on 6 November 2009), all the conditions precedent to the Capital Reduction will have been fulfilled, and the Capital Reduction as well as the Change in Board Lot Size will become effective.

FREE EXCHANGE OF CERTIFICATES FOR NEW SHARES AND TRADING ARRANGEMENTS

Subject to the Capital Reduction becoming effective, dealings in the New Shares will commence at 9:30 a.m. on 9 November 2009, and the Shareholders may submit their existing certificates for the Shares (which are blue in colour) in exchange for certificates for the New Shares (which are orange in colour) free of charge to the share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong during business hours from 9 November 2009 to 16 December 2009 (both dates inclusive). After the expiry of such period, certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as allowed by the Stock Exchange from time to time) for each certificate issued or cancelled, whichever is higher.

In order to facilitate the trading of odd lots (if any) which might arise as result of the Change in Board Lot Size, the Company has appointed Kingston Securities Limited as an agent to arrange for the sale and purchase of odd lots on behalf of the Shareholders and potential investors on a "best effort" basis. During the period from 9:30 a.m. on 9 November 2009 to 4:00 p.m. on 14 December 2009 (both dates inclusive), holders of the New Shares who wish to take advantage of this facility either to dispose of their odd lots or to top them up to a full board lot may contact Ms. Rosita Kiu of Kingston Securities Limited at Suite 2801, 28th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong at telephone number (852) 2298 6265. Holders of the New Shares in odd lots should note that the matching of odd lots is not guaranteed.

Accordingly, the subsequent dates with regard to the share certificates exchange and trading arrangements are set out below:

2009

Registration of the order of the Court to confirm the Capital Reduction and the minute thereof with the Companies Registrar.	6 November
Effective Date of the Capital Reduction and the Change in Board Lot Size	after 4:00 p.m. 6 November
First day of free exchange of the existing Share certificates for the New Share certificates	9 November
Dealings in the New Shares commence	9:30 a.m. 9 November
First day for designated broker to stand in the market to provide matching service for selling and buying of odd lots of New Shares	9:30 a.m. 9 November

Latest time for designated broker to stand in
the market to provide matching service for
selling and buying of odd lots of New Shares 4:00 p.m. 14 December

Last day of free exchange of the existing Share certificates
for the New Share certificates 16 December

Unless there is any material change to the above expected timetable, no further announcement will be made in connection with the Capital Reduction and the Change in Board Lot Size.

By Order of the Board
Kong Sun Holdings Limited
Tse On Kin
Chairman

Hong Kong, 3 November 2009

As at the date of this announcement, the board of directors of the Company comprises three executive Directors, Mr. Tse On Kin, Mr. Chan Chi Yuen and Mr. Yu Pak Yan, Peter and three independent non-executive Directors, Mr. Man Kwok Leung, Mr. Lau Man Tak and Dr. Wong Yun Kuen.