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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)

- (1) PROPOSED CAPITAL REDUCTION**
(2) PROPOSED CHANGE IN BOARD LOT SIZE
(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
(4) PROPOSED PLACING OF SHARES

Placing Agent



KINGSTON SECURITIES LTD.

(1) PROPOSED CAPITAL REDUCTION

The Board proposes to put forward a proposal to the Shareholders to effect the Capital Reduction which will involve a reduction in the nominal value of the issued Shares from HK\$0.20 to HK\$0.01 each by cancelling the paid-up capital to the extent of HK\$0.19 on each of the issued Shares. The credit arising from the Capital Reduction will be transferred to the share premium account of the Company.

(2) PROPOSED CHANGE IN BOARD LOT SIZE

The Board also proposes to change the board lot size for trading in the shares of the Company from 5,000 Shares to 25,000 Reduced Shares upon the Capital Reduction becoming effective.

(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

Subject to the Capital Reduction becoming effective, the Board proposes to increase the authorised share capital of the Company from HK\$20,000,000 (divided into 2,000,000,000 Reduced Shares) to HK\$200,000,000 (divided into 20,000,000,000 Reduced Shares) by the creation of an additional 18,000,000,000 Reduced Shares with the par value of HK\$0.01 each.

(4) PROPOSED PLACING OF SHARES

On 13 June 2012 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company conditionally agreed to place, through the Placing Agent, a maximum number of 750,000,000 Placing Shares on a best effort basis at a price of HK\$0.07 per Placing Share.

Assuming the Capital Reduction having taken effect, the Placing Shares shall represent approximately 104.32% of the adjusted issued share capital of the Company upon completion of the Capital Reduction based on the existing issued share capital of the Company of 718,962,519 Shares as at the date of this announcement and approximately 51.06% of the then issued share capital of 1,468,962,519 Reduced Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$7,500,000.

The Placing Shares will be issued and allotted under a specific mandate to be obtained at the EGM.

GENERAL

An EGM is proposed to be convened for the Shareholders to consider, and if thought fit, to approve the Capital Reduction, increase in authorised share capital and the Placing. A circular containing, among others, details regarding (i) the Capital Reduction; (ii) the Change in Board Lot Size; (iii) the increase in authorised share capital; (iv) the Placing; and (v) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Board wishes to announce that the Company proposes to implement the Capital Reduction. Immediately after the Capital Reduction becomes effective, the Company proposes to change the board lot size for trading in the shares and to increase its authorised share capital. The implementation of the Placing is subject to, among other things, the Capital Reduction becoming effective.

(1) PROPOSED CAPITAL REDUCTION

The Board proposes to put forward a proposal to the Shareholders to effect the Capital Reduction pursuant to section 58(3) of the Companies Ordinance.

The authorised capital of the Company will be reduced from HK\$400,000,000 divided into 2,000,000,000 Shares of HK\$0.20 each to HK\$20,000,000 divided into 2,000,000,000 Reduced Shares of HK\$0.01 each and that such reduction be effected by cancelling the paid-up capital to the extent of HK\$0.19 on each of the issued Shares and reducing the nominal value of each unissued Share by HK\$0.19.

The Capital Reduction is proposed to take effect under section 58(3) of the Companies Ordinance pursuant to which no confirmation by the Court will be required.

Conditions of the Capital Reduction

The Capital Reduction is conditional upon:

- (a) the passing of the relevant special resolution(s) by the Shareholders to approve the Capital Reduction at the EGM;
- (b) the registration by the Registrar of Companies in Hong Kong of a copy of resolution passed by the Shareholders, a copy of a minute containing the particulars required under section 61A of the Companies Ordinance and a statement in the prescribed form signed by an officer of the Company certifying that the relevant conditions under the Companies Ordinance have been satisfied; and
- (c) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Reduced Shares to be issued following the Capital Reduction becoming effective.

Assuming all the conditions are fulfilled, the Capital Reduction will become effective upon the registration of the documents required under section 61A of the Companies Ordinance.

Effects of the Capital Reduction

As at the date hereof, the authorised capital of the Company is HK\$400,000,000 divided into 2,000,000,000 Shares, of which 718,962,519 Shares have been issued and are fully paid. On the basis of the same number of the Shares in issue and upon the Capital Reduction becoming effective, the authorised share capital of the Company will become HK\$20,000,000 comprising 2,000,000,000 Reduced Shares, of which 718,962,519 Reduced Shares will be in issue and the aggregate nominal value of the issued share capital of the Company will become approximately HK\$7,189,625.19.

The credit of approximately HK\$136,602,878.61 arising from the Capital Reduction will be credited to the share premium account of the Company as required under section 58(3) of the Companies Ordinance.

Implementation of the Capital Reduction does not, by itself, alter the underlying assets, liabilities, businesses, management or financial position of the Group and the Company or the rights of the Shareholders, except for payment of the related expenses. The proportionate interests and the voting rights of the Shareholders in the Company will not be affected by the Capital Reduction.

The Board believes that the Capital Reduction will not have any adverse effect on the financial position of the Company and the Board believes that on the date the Capital Reduction is to be effected, there will be no reasonable grounds for believing that the Company is, or after the Capital Reduction would be, unable to pay its liabilities as they become due. No capital will be lost as a result of the Capital Reduction and, except for the expenses involved in relation to the Capital Reduction which are expected to be insignificant in the context of the net asset value of the Company, the net asset value of the Company will remain unchanged before and after the Capital Reduction becoming effective. The Capital Reduction does not involve any diminution

of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any paid-up capital of the Company nor will it result in any change in the relative rights of the Shareholders.

The Reduced Shares will rank pari passu in all respects with each other and the Capital Reduction will not result in any change in the relative rights of the Shareholders.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Reduced Shares to be issued upon the Capital Reduction becoming effective.

Free exchange of share certificates

Subject to the Capital Reduction becoming effective, the Shareholders may, during a period specified in the timetable below, submit the existing share certificates for the Shares to the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, during the business hours, in exchange, at the expense of the Company, for new share certificates for Reduced Shares. Thereafter, share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) for each share certificate issued or cancelled, whichever is higher. Certificates for the Shares will continue to be good evidence of legal title and may be exchanged for certificates for Reduced Shares at any time at the expense of the Shareholders after such period. Further details about the arrangement for the exchange of share certificates will be set out in the circular of the Company to be despatched to the Shareholders.

Reasons for the Capital Reduction

The Shares have been trading below their par value of HK\$0.20 for a long period of time and under the Companies Ordinance, it is not permissible for a company to issue shares at a discount to the nominal value of its share unless, among other things, it is authorised by the Shareholders and sanctioned by the court. Therefore, unless the par value of each Share is reduced, it will be very difficult for the Company to raise new capital by issuing new Shares. In order to provide the Company with greater flexibility for raising capital by issuing of new Reduced Shares in the future, the Board proposed the Capital Reduction. The Directors consider that the Capital Reduction is in the best interests of the Company and the Shareholders as a whole.

(2) PROPOSED CHANGE IN BOARD LOT SIZE

Subject to the Capital Reduction becoming effective, the Board also proposes to change the board lot size for trading in the shares of the Company from 5,000 Shares to 25,000 Reduced Shares. It is believed that the enlarged board lot size will reduce the overall transaction costs in dealing with the Reduced Shares. The Board is of the opinion that the Change in Board Lot Size is in the best interests of the Company and the Shareholders as a whole. Save as disclosed herein, the Change in Board Lot Size will not affect any of the Shareholders' rights.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Reduced Shares which might arise as a result of the Change in Board Lot Size, the Company will appoint Kingston Securities Limited to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Reduced Shares which might arise as a result of the Change in Board Lot Size, to make up a full board lot, or to dispose of their holding of odd lots of the Reduced Shares. Details of such arrangements for Reduced Shares will be set out in the circular of the Company to be despatched to the Shareholders.

(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

Subject to the Capital Reduction becoming effective, the Board proposes to increase the authorised share capital of the Company from HK\$20,000,000 (divided into 2,000,000,000 Reduced Shares) to HK\$200,000,000 (divided into 20,000,000,000 Reduced Shares) by the creation of an additional 18,000,000,000 Reduced Shares of par value HK\$0.01 each in order to facilitate any future expansion in the share capital of the Company.

The proposed increase in authorised share capital of the Company is conditional upon the passing by the Shareholders of the relevant ordinary resolution at the EGM.

(4) THE PLACING AGREEMENT

Date: 13 June 2012 (after trading hours)

Parties: The Company and the Placing Agent

Placing Agent

The Placing Agent has conditionally agreed to place a maximum number of 750,000,000 Placing Shares, on a best effort basis. The Placing Agent will receive a placing commission of 2.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of the Placing Shares being placed. The Placing Agent is interested in 1 Share as at the date of this announcement.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries and save for the fact that the Placing Agent holds 1 Share as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Agent agreed to place the Placing Shares to not fewer than six Placees (who will be independent professional, institutional or other investor), each of the placees and their respective ultimate beneficial owners shall be a third party independent of and not connected with or acting in concert with the Company or its

connected persons and shall not be connected with each other or acting in concert with each other or any Shareholder. None of the placees and their respective concert parties shall become a substantial Shareholder upon completion of the Placing.

Placing Price

The Placing Price of HK\$0.07 represents:

- (i) a discount of approximately 46.15% to the closing price of HK\$0.13 per Reduced Share based on the closing price of HK\$0.13 per Share as quoted on the Stock Exchange at the date of this announcement;
- (ii) a discount of approximately 45.31% to the average closing price of HK\$0.128 per Reduced Share, based on the average closing price per Share of approximately HK\$0.128 for the last five consecutive trading days prior to the date of this announcement; and
- (iii) a discount of approximately 46.15% to the average closing price of HK\$0.13 per Reduced Share, based on the average of the closing price per Share of approximately HK\$0.13 for the last ten consecutive trading days prior to the date of this announcement.

The Placing Price of HK\$0.07 was arrived at after arm's length negotiation between the Company and Placing Agent with reference to the prevailing market price and the recent trading volume of the Shares. In view of the unstable economic environment and unfavorable financial market conditions, the Board considers that a lower placing price is required to encourage investments in the Company by the potential placees and the placing price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Placing Shares

Pursuant to the Placing Agreement, a maximum number of 750,000,000 Placing Shares represent (i) approximately 104.32% of the adjusted issued share capital of the Company upon completion of the Capital Reduction based on the Company's existing issued share capital of 718,962,519 Shares in issue as at the date of this announcement; and (ii) approximately 51.06% of its issued share capital as enlarged by the Placing Shares upon completion of the Placing.

The Placing Shares will be allotted and issued under a specific mandate to be obtained, subject to shareholders' approval, at the EGM. The Placing Shares will rank, when allotted and issued, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Conditions Precedent

Completion of the Placing is conditional upon:

- (i) the passing of the necessary resolution(s) by the Shareholders at the EGM to approve, amongst other things, the Placing and the allotment and issue of the Placing Shares pursuant to the terms of the Placing Agreement;
- (ii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Placing Shares;
- (iii) the Capital Reduction becoming effective; and
- (iv) the obligations of the Placing Agent under the Placing Agreement becoming unconditional and not being terminated in accordance with the terms thereof, including provision regarding force majeure events.

In the event that any of the conditions is not fulfilled within three months after the date of the EGM, the Placing Agreement shall cease and determine and the parties shall be released from all obligations and liabilities under it, save for any antecedent breaches of the provisions under the Placing Agreement.

Termination of the Placing

- (i) The Placing Agent reserves its right to terminate the Placing Agreement by notice in writing prior to 9:00 a.m. on the completion date, if in the absolute opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date hereof) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing of the Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or

- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation to suspension or material restriction or trading in securities) occurs which affect the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.
- (ii) If, at or prior to 9:00 a.m. on the completion date:
 - (a) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or
 - (b) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of the announcement relating to the Placing Agreement or circulars relating to the Placing; or
 - (c) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated the Placing Agent shall determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on the Placing.

Completion of the Placing

Completion of the Placing will take place within four business days after the fulfillment of the conditions as set out in the Placing Agreement but no later than 5:00 p.m. on the date falling on three months after the date of EGM or such later date to be agreed between the Company and the Placing Agent.

Application will be made to the Stock Exchange for the Listing of, and permission to deal in, the Placing Shares.

The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Proceeds from the Placing

On assumption of completion of the Placing, the net proceeds raised upon completion of the Placing will be approximately HK\$50.32 million and the net price per Placing Share is approximately HK\$0.067. The aggregate nominal value of the Placing Shares under the Placing is approximately HK\$7,500,000.

Reasons for the Placing and used of proceeds

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$52.50 million and HK\$50.32 million, respectively. The Company intends to utilize the net proceeds for acquisition(s) of property(ies). The target properties under review are of commercial use and include shops and offices. Such target properties are located in Hong Kong. The Company intends to hold the properties as long term investments after acquisition(s). Separate negotiations between the Company and the potential vendors of various target property(ies), which are Independent Third Party(ies), have been undergoing. No final terms have been fixed nor any agreements have been entered into up to the date of this announcement. However, the Board considers that it is in the best interest of the Company to enhance its capital in order to facilitate possible acquisition(s) of properties which may crystalize in the near future. The Directors consider it is an appropriate strategy to expand its properties investment portfolio in view of the current market outlook, and by acquiring properties with good commercial value will bring stable recurrent rental income to the Company. Announcement(s) will be made by the Company as and when appropriate according to the Listing Rules. Such possible acquisition(s) may or may not realize and may or may not constitute notifiable transactions under the Listing Rules.

The Directors consider that the Placing represents an opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Taking into account that (i) the possible enhancement of the profile of the Shareholders given that the Placees will be professional, institutional or other investors or any of their respective subsidiaries or associates; and (ii) the long-term benefits that may be generated from the investment to be made with the proceeds from the Placing which in turn may increase the value of the Shares, the Directors are of the view that the Placing is in the interest of the Company and the Shareholders as a whole.

Change in the Shareholding Structure

Assuming that there are no changes in the issued share capital of the Company prior to the completion of the Capital Reduction, the Change in Board Lot Size, the increase in authorised share capital and the Placing, the effects on the shareholding structure of the Company upon completion will be as follows:

	Shareholding as at the date of this announcement		Shareholding upon completion of Capital Reduction, Change in Board Lot Size and increase in authorised share capital and the Placing	
	<i>No. of Shares</i>	<i>% of shares</i>	<i>No. of Reduced Shares</i>	<i>% of shares</i>
Ho Kam Hung	50,040,600	6.96%	50,040,600	3.40%
Placee(s)	—	—	750,000,000	51.06%
Other public Shareholders	<u>668,921,919</u>	<u>93.04%</u>	<u>668,921,919</u>	<u>45.54%</u>
	<u><u>718,962,519</u></u>	<u><u>100.00%</u></u>	<u><u>1,468,962,519</u></u>	<u><u>100.00%</u></u>

As at the date of this announcement, the Company has an existing share option and non-listed warrants, which may be converted into 34,208,382 Shares at the exercise price of HK\$0.422 and may be converted into 95,860,000 Shares at the exercise price of HK\$0.28 respectively.

None of the holders of the Placing Shares and their respective concert parties shall become a substantial Shareholder upon completion of the Placing Shares.

EGM

An EGM is proposed to be convened for the Shareholders to consider, and if thought fit, to approve the Capital Reduction, increase in authorised share capital and the Placing. A circular containing, among others, details regarding (i) the Capital Reduction; (ii) the Change in Board Lot Size; (iii) the increase in authorised share capital; (iv) the Placing; and (v) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

Closure of Register of Members

For the purpose of determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Thursday, 26 July 2012 to Monday, 30 July 2012, both dates inclusive, during which period no transfer of shares will be effected. In order to attend and vote at the meeting, all completed transfer forms of shares (together with the relevant share certificates) must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration by no later than 4:30 p.m. on Wednesday, 25 July 2012.

Information of the Company

The Company is an investment holding company. The principal activities of subsidiaries of the Company are properties investment and development, manufacture and sales of life-like plants and securities investment.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reduction, the Change in Board Lot Size and increase in authorised share capital:

**Hong Kong Time
2012**

Expected date of despatch of the circular and notice of the EGM	5 July
Latest time for lodging transfer of securities	4:30 p.m. 25 July
Book Closure Period	26 July to 30 July (both dates inclusive)
Latest time for lodging proxy forms for the EGM	11:00 a.m. on 28 July
Record Date	30 July
Expected time and date of the EGM	11:00 a.m. on 30 July
Announcement of results of EGM	30 July
Effective date of the Capital Reduction subject to the registration of documents under Companies Ordinance	31 July
Effective date of the increase in authorised share capital	31 July
Commencement of dealings in the Reduced Shares	9:00 a.m. on 31 July
Effective date of Change in Board Lot Size from 5,000 Shares to 25,000 Reduced Shares	31 July
First day for free exchange of existing share certificates for new share certificates for the Reduced Shares	31 July
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of Reduced Shares	31 July
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Reduced Shares	21 August

Last day for free exchange of existing share certificates
for new share certificates for Reduced shares 23 August

DEFINITIONS

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

“Board”	the board of Directors;
“Capital Reduction”	the proposed reduction of the capital of the Company including the cancellation of the paid up capital to the extent of HK\$0.19 of each Share in issue from HK\$0.20 to HK\$0.01 and the reduction of the nominal value of all the issued and unissued Shares;
“Change in Board Lot Size”	the change in board lot size for trading on the Stock Exchange from 5,000 Shares to 25,000 Reduced Shares;
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Company”	Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Corporate Communication”	any document issued or to be issued by an issuer for the information or action of holders of any of its securities, including but not limited to: (a) the directors’ report, its annual accounts together with a copy of the auditors’ report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened for the Shareholders to consider, and if thought fit, pass the resolutions to approve among other things, the Capital Reduction, the increase in authorised share capital and the Placing;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and connected persons of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Placee(s)”	any professional, institutional or other investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement;
“Placing”	the placing of the Placing Shares, on a best effort basis, pursuant to the terms of the Placing Agreement;
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Placing Agreement”	the conditional placing agreement dated 13 June 2012 entered into between the Company and the Placing Agent in relation to the Placing;
“Placing Price”	HK\$0.07 per Placing Share;
“Placing Share(s)”	A maximum of 750,000,000 new Reduced Share(s) to be placed pursuant to the Placing Agreement;
“PRC”	the People’s Republic of China;
“Reduced Share(s)”	new ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately after the Capital Reduction becoming effective;
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company prior to the Capital Reduction becoming effective;
“Shareholder(s)”	registered holder(s) of the Share(s) or Reduced Share(s) of the Company (as the case may be);
“Share Registrar”	Computershare Hong Kong Investor Services Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong; and
“%” per cent.

By order of the Board
Kong Sun Holdings Limited
Chan Chi Yuen
Chairman

Hong Kong, 13 June 2012

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