

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kong Sun Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s), transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).

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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) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) REFRESHMENT OF SCHEME MANDATE LIMIT;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (“AGM”) of the Company to be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on 7 May 2013 at 11:00 a.m. is set out on pages 12 to 16 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

5 April 2013

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DEFINITIONS

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

“AGM”	annual general meeting of the Company to be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on 7 May 2013 at 11:00 a.m.
“Articles”	the articles of association of the Company
“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general mandate to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of approval of the mandate
“Latest Practicable Date”	26 March 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate to the Directors to exercise all the powers of the Company to repurchase Shares not exceeding 10% of the total fully paid-up nominal amount of the share capital of the Company as at the date of approval of the mandate
“Scheme Mandate Limit”	the maximum number of Shares which may be allotted and issued upon the exercise of all Share Options which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of Share(s) in issue
“Share Option(s)”	the option(s) to subscribe for Share(s) under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 22 July 2009
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$” and “\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent



KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

Executive Directors:

Chan Chi Yuen (*Chairman*)

Yu Pak Yan, Peter

Independent Non-Executive Directors:

Lau Man Tak

Man Kwok Leung

Wong Yun Kuen

Registered Office and Principal

Place of Business:

Unit 905, 9/F

Wings Building

110–116 Queen's Road Central

Hong Kong

5 April 2013

To the Shareholders

Dear Sir or Madam,

- (1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) REFRESHMENT OF SCHEME MANDATE LIMIT;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with details in respect of (i) the grant of general mandates to Directors to issue and repurchase Shares; (ii) the re-election of retiring Directors; (iii) the refreshment of the Scheme Mandate Limit; and (iv) to give you a notice of the AGM.

ISSUE MANDATE AND REPURCHASE MANDATE

The Directors propose to seek the approval of the Shareholders at the AGM by way of passing an ordinary resolution for granting the general mandates to the Directors (i) to allot, issue and otherwise deal with the new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution and the extension of the aforesaid mandate by addition thereto the number of Shares repurchased pursuant to the proposed general mandate for repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the relevant resolution as described below, and (ii) to repurchase Shares

LETTER FROM THE BOARD

with total nominal amount not exceeding 10% of the total fully paid-up nominal amount of the share capital of the Company in issue at the date of passing the relevant resolution, at any time during the period ending on the earlier of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or its Articles or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in the general meeting of the Company.

As at the Latest Practicable Date, the number of Shares in issue was 1,468,962,519 Shares. On the basis that no further Shares will be issued or repurchased prior to the AGM, (i) the Issue Mandate in full would enable the Company to allot, issue and deal with a maximum of 293,792,503 Shares, and (ii) the Repurchase Mandate in full would enable the Company to repurchase a maximum of 146,896,251 Shares.

The purpose of the general mandate to allot, issue and deal with new Shares is to enable the Directors to capture right timing of the securities market to widen the capital base of the Company. The Directors have no present intention to issue or repurchase any Shares under the general mandates to be sought at the AGM.

An explanatory statement as required by the Listing Rules for information on the general mandate to repurchase Shares is set out in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 81 to 84 of the Articles, Mr. Yu Pak Yan, Peter, an executive Director and Mr. Lau Man Tak, an independent non-executive Director, shall retire by rotation at the conclusion of the AGM and shall be eligible for re-election at the AGM.

Details of the above retiring Directors to be re-elected at the AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

REFRESHMENT OF SCHEME MANDATE LIMIT

The Share Option Scheme was adopted by the Company on 22 July 2009. The current Scheme Mandate Limit was refreshed on 31 May 2010, entitling the Company to grant up to 47,930,834 Share Options, representing 10% of the issued share capital of the Company as at 31 May 2010. During the period from 22 July 2009 to the Latest Practicable Date, 30,210,000 Share Options were granted and all of which had been lapsed, no Share Options were exercised or cancelled. As at the Latest Practicable Date, there was no outstanding Share Options granted under the Share Option Scheme.

As at the Latest Practicable Date, the Company has 1,468,962,519 Shares currently in issue. Assuming no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the maximum number of Shares which may be issued upon the exercise of all the Share Options to be granted under the Scheme Mandate Limit as refreshed will be 146,896,251 Shares, representing 10% of the issued share capital of the Company as at the date of approval of the refreshed limit by the Shareholders at the AGM.

LETTER FROM THE BOARD

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme or other schemes at any time will not exceed 30% of the Shares in issue from time to time. The Board undertakes that no Share Options shall be granted under the Share Option Scheme or any scheme(s) of the Company if this will result in the 30% limit being exceeded.

The Board considers that it is in the interests of the Company to refresh the Scheme Mandate Limit so as to provide the Company with the flexibility of granting further Share Options under the Share Option Scheme. The Board therefore seeks the approval of the Shareholders at the AGM to refresh the Scheme Mandate Limit.

The adoption of the refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the Shareholders passing a resolution to approve the refreshment of the Scheme Mandate Limit at the AGM; and
- (b) the approval by the Stock Exchange for the listing of and permission to deal in such number of Shares representing 10% of the Shares in issue as at the AGM to be issued pursuant to the exercise of the Share Options to be granted under the Scheme Mandate Limit as refreshed.

Application will be made to the Stock Exchange for the listing of, and the permission to deal in the Shares to be issued under the refreshed Scheme Mandate Limit.

AGM

A notice of the AGM is set out on pages 12 to 16 of this circular. At the AGM, resolutions will be proposed for the Shareholders to consider and, if thought fit, among other things, to approve (i) the grant of general mandates to Directors to issue and repurchase Shares; (ii) the re-election of the retiring Directors; and (iii) the refreshment of the Scheme Mandate Limit.

A form of proxy for use at the AGM is sent to the Shareholders together with this circular. Whether or not the Shareholders are able to attend the AGM, the Shareholders are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time for holding of the AGM or adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the AGM or any adjourned meeting thereof should the Shareholders so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board believes that the general mandates to issue and repurchase shares, re-election of retiring directors and refreshment of Scheme Mandate Limit to be put before the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Chan Chi Yuen
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

REPURCHASE MANDATE

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules relating to an ordinary resolution to be proposed at the AGM to approve a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to purchase, at any time until the next annual general meeting of the Company or such earlier period as stated in the ordinary resolution, shares of HK\$0.01 each in the capital of the Company, up to a maximum of 10% of the aggregate nominal amount of issued share capital of the Company as at the date of passing the resolution.

The Directors believe the Repurchase Mandate is in the interests of the Company and Shareholders, and accordingly recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the AGM.

SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 1,468,962,519 Shares. Subject to the passing of an ordinary resolution for the grant of the Repurchase Mandate and on the basis that no further Shares are issued or purchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 146,896,251 Shares.

REASONS FOR REPURCHASES

The Directors consider that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

FUNDING OF REPURCHASES

Repurchases of Shares will be funded entirely from funds legally available for such purpose in accordance with the Articles and the applicable laws of Hong Kong. It is presently proposed that any Shares repurchased under the Repurchase Mandate would be repurchased out of the capital paid up on the repurchased Shares, profits of the Company which would otherwise be available for distribution or the Company's share premium account.

IMPACT ON WORKING CAPITAL

There might be a material adverse impact on the working capital requirements or gearing levels of the Company (as compared with the position disclosed in its audited financial statements contained in the annual report of the Company for the year ended 31 December 2012) in the event that the Repurchase Mandate is exercised in full. However, the Directors do

not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor any of their respective associates, having any present intention to sell any Shares to the Company or its subsidiaries in the event that the Repurchase Mandate is granted.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that he has a present intention to sell to the Company or its subsidiaries any of his Shares, or has undertaken not to do so, in the event that the Repurchase Mandate is granted.

TAKEOVERS CODE AND SHARE REPURCHASES

In the event that the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the Company does not have any Substantial Shareholder. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such extent as to result in takeover obligations or that the aggregate amount of Shares in public hands would reduce below 25%.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2012		
March	0.144	0.120
April	0.140	0.110
May	0.144	0.120
June	0.128	0.080
July	0.089	0.062
August	0.103	0.072
September	0.112	0.080
October	0.212	0.112
November	0.170	0.150
December	0.173	0.135
2013		
January	0.185	0.150
February	0.150	0.130
March (up to the Latest Practicable Date)	0.152	0.110

SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

Pursuant to the Listing Rules, details of the Directors who will retire at the conclusion of the AGM according to the Articles and will be proposed to be re-elected at the AGM are provided below:

THE EXECUTIVE DIRECTOR

Mr. Yu Pak Yan, Peter

Mr. Yu Pak Yan, Peter (“Mr. Yu”), aged 61, joined the Group on 1 August 2008 and is also the director of certain subsidiaries of the Company. Mr. Yu has over 30 years of experience in real estate and financial services industries. Mr. Yu has a Bachelor degree in Management from Youngstown State University in Ohio, USA and a Master of Science degree in Financial Services from American College in Pennsylvania, USA. Mr. Yu is a member of the Certified Commercial Investment Member Institute and was the first Chinese- American elected to the board of the San Francisco Association of Realtors. Mr. Yu worked in Pacific Union Real Estate Company in the United States from 1980–1995 and held senior positions in MetLife and New York Life Insurance Company in managing Asian customers in North America. Mr. Yu is currently an independent non-executive director of Kingston Financial Group Limited (stock code: 1031), M Dream Inworld Limited (stock code: 8100), China Sandi Holdings Limited (formerly known as China Grand Forestry Green Resources Group Limited, stock code: 910) and Noble Century Investment Holdings Limited (formerly known as Sam Woo Holdings Limited stock code: 2322).

Save as disclosed, Mr. Yu does not hold any other position with the Company or its subsidiaries, nor has he held any directorship in other listed public companies in the past three years. Mr. Yu does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company except for his co-directorships with Mr. Chan Chi Yuen, the executive Director and Dr. Wong Yun Kuen, the independent non-executive Director in China Sandi Holdings Limited (stock code: 910); with Dr. Wong Yun Kuen and Mr. Lau Man Tak, the independent non-executive Directors, in Kingston Financial Group Limited (stock code: 1031); with Mr. Chan Chi Yuen, the executive Director and Mr. Man Kwok Leung, the independent non-executive Director, in Noble Century Investment Holdings Limited (stock code: 2322). As at the Latest Practicable Date, Mr. Yu does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Yu has entered into a letter of appointment with the Company with no fixed period of service but he will be subject to retirement and re-election at AGM of the Company in accordance with the Articles. Mr. Yu received a remuneration of HK\$90,000 for the year ended 31 December 2012. His remuneration after the re-election will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company. Save as disclosed above, the Board is not aware of any matter in relation to Mr. Yu that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matter that need to be brought to the attention of the Shareholders in relation to Mr. Yu’s re-election.

THE INDEPENDENT NON-EXECUTIVE DIRECTOR**Mr. Lau Man Tak**

Mr. Lau Man Tak (“Mr. Lau”), aged 43, joined the Group on 1 September 2008 and is the chairman of the audit committee and the member of the remuneration committee and nomination committee of the Company. Mr. Lau graduated from Hong Kong Polytechnic University with a Bachelor degree in Accountancy. Mr. Lau has more than 15 years of finance, accounting and auditing experiences. Mr. Lau is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Lau is also a member of the Hong Kong Securities Institute and admitted as a fellow member of Hong Kong Institute of Directors in August 2012. Mr. Lau is currently an executive director and chairman of Aurum Pacific (China) Group Limited (stock code: 8148). Mr. Lau is also an independent non-executive director of Kingston Financial Group Limited (stock code: 1031), Climax International Company Limited (stock code: 439), AMCO United Holding Limited (formerly known as Guojin Resources Holdings Limited, stock code: 630) and Sincere Watch (Hong Kong) Limited (stock code: 444). Mr. Lau was also an executive director and chief financial officer of China Sandi Holdings Limited (formerly known as China Grand Forestry Green Resources Group Limited, stock code: 910) from April 2010 to September 2012 and an executive director of Warderly International Holdings Limited (stock code: 607) from December 2007 to January 2010.

Save as disclosed, Mr. Lau does not hold any other position with the Company or its subsidiaries, nor has he held any directorship in other listed public companies in the past three years. Mr. Lau does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company except for his co-directorships with Mr. Yu Pak Yan, the executive Director and Dr. Wong Yun Kuen, the independent non-executive Director, in Kingston Financial Group Limited (stock code: 1031); with Mr. Wong Yun Kuen and Man Kwok Leung, the independent non-executive Directors, in Climax International Company Limited (stock code: 439); with Mr. Wong Yun Kuen, the independent non-executive Director, in Sincere Watch (Hong Kong) Limited (stock code: 444). As at the Latest Practicable Date, Mr. Lau does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lau has entered into a letter of appointment with the Company with no fixed period of service but he will be subject to retirement and re-election at AGM of the Company in accordance with the Articles. Mr. Lau received a remuneration of HK\$90,000 for the year ended 31 December 2012. His remuneration after the re-election will be determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company. Save as disclosed above, the Board is not aware of any matter in relation to Mr. Lau that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matter that need to be brought to the attention of the Shareholders in relation to Mr. Lau’s re-election.

NOTICE OF ANNUAL GENERAL MEETING



KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “Meeting”) of Kong Sun Holdings Limited (the “Company”) will be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on 7 May 2013 at 11:00 a.m. for the purpose of considering and, if thought fit, with or without modification, passing the following resolutions:

ORDINARY RESOLUTIONS

1. to receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “Director(s)”) and the auditors for the year ended 31 December 2012;
- 2A. to re-elect the following retiring Directors:
 - (i) Mr. Yu Pak Yan, Peter, as an executive Director; and
 - (ii) Mr. Lau Man Tak, as an independent non-executive Director;
- 2B. to authorise the board of Directors to fix the remuneration of the Directors;
3. to re-appoint Messrs. SHINEWING (HK) CPA Limited as auditors of the Company and to authorise the board of Directors to fix their remuneration;
4. **“THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 22 July 2009 (“Share Option Scheme”), representing 10% of the issued share capital of the Company as at the date on which this Resolution is passed, pursuant to the Share Option Scheme:
 - (a) approval be and is hereby granted for refreshing the 10% mandate under the Share Option Scheme (“Refreshed Scheme Mandate”) provided that the total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company and its subsidiaries (“Group”) under the Refreshed Scheme Mandate shall not exceed 10% of the total number of issued shares of the Company as at the date on which this resolution is passed (options

NOTICE OF ANNUAL GENERAL MEETING

previously granted under the Share Option Scheme and any other share option schemes of the Group (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

- (b) the Directors be and are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for Shares within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”

5A. “**THAT**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with the additional shares in the share capital of the Company and to make or grant offers, agreements and options, including bonds, warrants, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, including bonds, warrants, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under terms of any existing warrants, bonds, debentures, notes and other securities of the Company;
 - (iii) the exercise of option granted under any share option scheme or any similar arrangement for the time being adopted for the grant or issue to officers and/or employees and/or other eligible persons of the Company and/or any of subsidiaries of shares or rights to acquire shares of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (iv) any scrip dividend or similar arrangement providing for the allotment and issue of shares of the Company in lieu of the whole or part of a dividend on the shares of the Company in accordance with the articles of association of the Company in force from time to time;
- (v) the exercise of any conversion rights attaching to any convertible notes issued or to be issued by the Company; and
- (vi) a specified authority granted by the shareholders of the Company in general meeting;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing this resolution; and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and hereby revoked; and
- (e) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation or renewal of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of the shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, any territories applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

5B. “**THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Director during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase the shares in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchanges on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with the applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchanges as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share of the Company which the Company is authorised to purchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the shares capital of the Company in issue at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation or renewal of the authority given under this resolution by an ordinary resolution of shareholders of the Company in general meeting.”

- 5C. “**THAT** subject to the passing of the above resolutions 5A and 5B, the aggregate nominal amount of share which are to be purchased by the Company pursuant to the authority granted to the Directors as mentioned in resolution 5B shall be added to the aggregate nominal amount of share capital that may be allotted or agreed to be allotted by the Directors pursuant to resolution 5A.”

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

Hong Kong, 5 April 2013

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Every member of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy (if a member who is holder of two or more shares) to attend and vote for him/her on his/her behalf of the meeting. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof.
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the annual general meeting or any adjourned meeting thereof.
4. As at the date of this circular, the board of directors of the Company comprises two executive directors, Mr. Chan Chi Yuen and Mr. Yu Pak Yan, Peter; and three independent non-executive directors, Mr. Lau Man Tak, Mr. Man Kwok Leung and Dr. Wong Yun Kuen.