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DISCLOSEABLE TRANSACTION DISPOSAL OF SECURITIES INVESTMENT

On 5 November 2012, the Company, through its wholly owned subsidiary, realized its securities investment in 48,000,000 Hua Yi Shares on the market, through the Stock Exchange, for an aggregate gross sale proceeds of HK\$18,960,000 (excluding transaction costs).

The Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules as certain of the applicable percentage ratios exceeded 5% but were less than 25%, which is subject to the reporting and announcement requirements under the Listing Rules.

THE DISPOSAL

On 5 November 2012, the Company, through its wholly-owned subsidiary, realized its securities investment in 48,000,000 Hua Yi Shares on the market, through the Stock Exchange, for an aggregate gross sale proceeds of HK\$18,960,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the Hua Yi Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the Hua Yi Shares and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Assets disposed

The Group realized its securities investment in 48,000,000 Hua Yi Shares, representing approximately 1.60% of the then issued share capital of Hua Yi (based on the 2,995,413,900 Hua Yi Shares in issue as at 31 October 2012 according to the publicly available information).

Consideration

The aggregate gross sale proceeds of the Disposal were approximately HK\$18,960,000 (excluding transaction costs), which were received in cash on settlement. The consideration for the Disposal represented the market price of the Hua Yi Shares at the time of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group's principal businesses are properties investment, manufacturing and sale of life-like plants and securities investment.

The Group had held the Hua Yi Shares for long-term securities investment purposes. In November 2012, at the time when there became a positive return in the Company's securities investment in Hua Yi Shares, the Company decided to realize the gain on such investment. As a result of the Disposal, the Group has recognized a gain of approximately HK\$13,248,000 calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of the transaction costs). The Group will use the proceeds of the Disposal for general working capital.

The Disposal was made at market price and the Directors are of the view that the Disposal was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON DISPOSED SECURITIES INVESTMENT

According to publicly available information, Hua Yi is a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 559). Hua Yi principally engages in the businesses of (i) manufacture and trading of cable and wires; (ii) manufacture and trading of copper rods; (iii) investments in listed securities; and (iv) money lending services. Further information on Hua Yi can be found on the website of the Stock Exchange at www.hkex.com.hk. Based on the annual report of Hua Yi for the year ended 30 June 2012, the audited net asset value of Hua Yi as at 30 June 2012 was approximately HK\$588,792,000. According to the annual reports of Hua Yi for the two years ended 30 June 2012 and 30 June 2011 respectively, its net losses from ordinary activities before and after taxation were approximately HK\$52,789,000 and HK\$53,097,000; and HK\$46,205,000 and HK\$46,719,000 respectively.

LISTING RULES IMPLICATION

As certain of the applicable percentage ratios exceeded 5% but were less than 25%, the Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“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 main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Disposal”	the disposal by the Company, through its wholly-owned subsidiary, of a total of 48,000,000 Hua Yi Shares on the market on 5 November 2012 for a consideration of HK\$18,960,000
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hua Yi”	Hua Yi Copper Holdings Limited, a company incorporated in Bermuda with limited liability whose issued shares are listed on the main board of the Stock Exchange
“Hua Yi Shares”	ordinary share(s) of HK\$0.05 each in the share capital of Hua Yi, listed on the main board of the Stock Exchange and traded in Hong Kong dollars
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	as defined in the Listing Rules
“Shareholder(s)”	holder(s) of ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 22 April 2013

As at the date of this announcement, the board of directors of the Company comprise 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.