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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)**

**DISCLOSEABLE TRANSACTION  
RELATING TO THE PROVISION OF LOAN**

The Board announced that on 28 March 2014 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a loan in the principal amount of HK\$20,000,000 for a period of three months from the date of drawdown at an interest rate of 9% per annum.

As the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules are more than 5% but less than 25%, the grant of the Loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

**The Loan Agreement**

<b>Date:</b>	28 March 2014
<b>Lender:</b>	Kong Sun Finance Limited, an indirect wholly-owned subsidiary of the Company
<b>Borrower:</b>	An independent third party
	To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is an independent third party and not connected with the Company nor connected persons of the Company
<b>Principal Loan Amount:</b>	HK\$20,000,000
<b>Term:</b>	Three months commencing from the date of drawdown
<b>Interest:</b>	9% per annum

**Repayment:** The outstanding principal amount together with the interest of the Loan shall be repaid on the date falling three months from the date of drawdown

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) and is principally engaged in the business of money lending service.

The terms of the Loan Agreement were determined with reference to the normal commercial practice and the terms of conducting money lender business in Hong Kong. The Loan will be funded from internal resources of the Group. The Directors consider that the transactions contemplated under the Loan Agreement are on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole having considered the prevailing market borrowing rates quoted by commercial banks in Hong Kong.

### **Information on the Company, the Group and the Lender**

The principal activity of the Company is an investment holding company and the principal activities of the Group are properties investment, manufacturing and sales of life-like plants and securities investment.

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Cap. 163, Laws of Hong Kong) and is principally engaged in the business of money lending services.

### **Information on the Borrower**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is a merchant and an independent third party.

### **Reasons for provision of the Loan**

The Loan will provide interest income to the Lender and will be recorded as loan receivables of the Group.

The Directors consider that the provision of the Loan will result in a reasonable interest return to the Group. The Directors consider that the provision of the Loan is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Implications under the Listing Rules**

As the applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules are more than 5% but less than 25%, the grant of Loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the board of Directors;
“Borrower”	an independent third party;
“Company”	Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of People’s Republic of China;
“Lender”	Kong Sun Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange;
“Loan”	the term loan in the principal amount of HK\$20,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement;
“Loan Agreement”	the loan agreement dated 28 March 2014 entered into between the Lender and the Borrower relating to the provision of the Loan;
“Share(s)”	ordinary share(s) in the share capital of the Company;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board  
**Kong Sun Holdings Limited**  
**Yu Pak Yan, Peter**  
Chairman

Hong Kong, 28 March 2014

*As at the date of this announcement, the Board comprises Mr. Yu Pak Yan, Peter, Mr. Chang Hoi Nam and Mr. Liu Wen Ping, as the executive Directors and Mr. Lau Man Tak, Mr. Man Kwok Leung and Dr. Wong Yun Kuen, as the independent non-executive Directors.*