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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT  
OF THE SHARE OPTION SCHEME  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the extraordinary general meeting to be held at 37/F, Cosco Tower, 183 Queen's Road Central, Hong Kong on 30 September 2014 at 11:00 a.m. (the "EGM") is set out on pages 9 to 10 of this circular. Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same 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, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

15 September 2014

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## DEFINITIONS

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

“Articles”	articles of association of the Company;
“Board”	the board of Directors of the Company;
“Company”	Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at 37/F, Cosco Tower, 183 Queen’s Road Central, Hong Kong on 30 September 2014 at 11:00 a.m. to approve the refreshment of the Scheme Mandate Limit and the re-election of Directors;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	10 September 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all the share options to be granted under the Share Option Scheme and such other schemes of the Company which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of the approval of the Share Option Scheme by the Shareholders 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;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

## DEFINITIONS

“Share(s)”	ordinary shares in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Option Scheme”	the share option scheme of the Company adopted on 22 July 2009;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.



**KONG SUN HOLDINGS LIMITED**

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*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 295)**

*Executive Directors:*

Mr. Chang Hoi Nam

Mr. Liu Wen Ping

*Non-executive Director:*

Mr. Liu Jinsong (*Chairman*)

*Independent non-executive Directors:*

Mr. Man Kwok Leung

Mr. Miu Hon Kit

Dr. Wong Yun Kuen

*Registered Office:*

Unit 905, 9th Floor

Wings Building

110-116 Queen's Road Central

Hong Kong

15 September 2014

*To Shareholders*

Dear Sir/Madam,

**PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT  
OF THE SHARE OPTION SCHEME  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information on (i) the proposed refreshment of the Scheme Mandate Limit, (ii) the Directors to be re-elected at the EGM, and (iii) to give you the notice of the EGM at which resolutions will be proposed to consider and, if thought fit, to approve the refreshment of the Scheme Mandate Limit and the re-election of Directors.

## LETTER FROM THE BOARD

### REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Board proposes to seek the approval of the Shareholders to refresh the 10% Scheme Mandate Limit of the Share Option Scheme. The Share Option Scheme of the Company was adopted on 22 July 2009 and the old share option scheme of the Company adopted on 30 June 2003 was terminated on the same date. The current Scheme Mandate Limit was refreshed on 21 May 2014, pursuant to which the Directors were authorized to grant options to subscribe for up to 176,266,251 Shares, representing 10% of the issued share capital of the Company as at the date of the annual general meeting of the Company on which the Scheme Mandate Limit was refreshed.

Since the refreshment of the Scheme Mandate Limit, the Company has not granted any options to eligible participants under the Share Option Scheme. On 28 May 2014, the Company entered into an agreement with Pohua JT Private Equity Fund L.P. (the “Investor”) pursuant to which, the Investor and the Consultants (as defined in the circular of the Company dated 11 July 2014) have agreed to subscribe an aggregate of 6,528,080,000 new Shares. The subscription was completed on 8 August 2014. Upon completion of the subscription, the existing Scheme Mandate Limit represents only approximately 2.1% of the total number of Shares in issue.

The Share Option Scheme was adopted to recognise and acknowledge the contributions of the Group’s employees and other selected grantees made or may have made to the Group. The Share Option Scheme will provide the grantees with an opportunity to have a personal stake in the Company with the view to achieving the objectives of motivating the grantees to optimise their performance efficiency for the benefit of the Company, and to attract and retain or otherwise maintain on-going relationships with the grantees whose contributions are or will be beneficial to the long-term growth of the Group.

As the existing Scheme Mandate Limit available to be granted to eligible participants represents only approximately 2.1% of the total number of Shares in issue, the Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit to the 10% provided under Chapter 17 of the Listing Rules in order to provide the Company with greater flexibility in granting share options to eligible persons (including employees and directors) of the Company under the Share Option Scheme as incentives to rewarding their contribution to the Company. The Company disclosed in the 2013 annual report that the Company is looking for new investments and business opportunities. The Company has, since April 2014, entered into a number of memoranda of understanding and agreements for the development of photovoltaic power plants in the People’s Republic of China. As photovoltaic power generation is a new business segment for the Company, the Company would need to recruit new employees who possess the necessary technical skills and have the necessary experience to assist the Company with its development in this sector. In this connection, the Directors consider that the additional flexibility to be able to offer more share options is an important factor for the Company to attract potential recruits and to retain existing employees and officers of the Company.

## LETTER FROM THE BOARD

It is proposed that subject to the approval of the Shareholders at the EGM and such other requirements prescribed under the Listing Rules, the Scheme Mandate Limit will be refreshed so that the total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all other schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval of the proposed refreshment by the Shareholders at the EGM. Based on 8,290,742,519 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are repurchased or issued and no share options are being granted or exercised prior to the EGM, upon the approval of the refreshment of the 10% Scheme Mandate Limit of the Share Option Scheme, the Director will be authorized to issue options to subscribe for a total of 829,074,251 Shares, representing 10% of the total number of Shares in issue as at the date of the passing of the resolution to refresh the Scheme Mandate Limit.

Share options previously granted under the Share Option Scheme and/or any other share option scheme(s) of the Company, including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other schemes of the Company will not be counted for the purpose of the proposed refreshment.

The aggregate number of Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the Latest Practicable Date. Save for the Share Option Scheme, the Company has no other share option schemes as at the Latest Practicable Date.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the approval of the Shareholders at the EGM; and
- (b) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options granted under the refreshed limit of the Share Option Scheme.

An application will be made to the Listing Committee of the Stock Exchange for obtaining the approval mentioned in paragraph (b) above.

Since the adoption of the Share Option Scheme, the Company has not granted any share options to any grantee that exceeded 1% of the total number of Shares in issue in any 12-month period. As at the Latest Practicable Date, the Company has no outstanding share options granted and yet to be exercised under the old share option scheme or the Share Option Scheme or any other share option schemes of the Company.

### RE-ELECTION OF DIRECTORS

According to Article 77 of the Articles, any director appointed to fill a casual vacancy or as an addition to the Board will only hold office until the next following general meeting. Accordingly, each of Mr. Liu Jinsong and Mr. Miu Hon Kit, being directors appointed to fill a casual vacancy will retire at the EGM, and being eligible, will offer himself for re-election.

## LETTER FROM THE BOARD

The biographical details of Mr. Liu Jinsong and Mr. Miu Hon Kit as required to be disclosed under the Listing Rules are set out below:

**Mr. Liu Jinsong** (“**Mr. Liu**”), aged 44, was appointed a non-executive Director and the chairman of the Board on 1 September 2014. Mr. Liu is the chairman and director of Pohua JT Capital Partners Limited (保華嘉泰資本有限公司). Mr. Liu has been serving as the chairman of the board of Poly Communications Ltd. (保利通信有限公司) from March 2006 till now. Mr. Liu has also been serving as the chairman of the board of Poly Longma Asset Management Co., Ltd. (保利龍馬資產管理有限公司) since May 2010. Mr. Liu worked as an engineer at the Beijing Hope Computer Company (北京希望電腦公司) under the Chinese Academy of Science (中國科學院) from July 1992 to 1993. Mr. Liu established Orient Legend Maker Software Development Limited (東方龍馬軟件發展有限公司) and served successively as an executive director, the general manager and the chairman of the board of that company from July 1994 to December 2012. Mr. Liu was a committee member of the China Software Industry Association from March 2002 to March 2006. Mr. Liu graduated from the Department of Computer Technology (計算機技術系) of College of the Computer Science (計算機學院) of Beijing University of technology (北京工業大學) with a Bachelor’s degree in Engineering in July 1992, and obtained his Master of Business Administration degree from the City University of Macau (澳門城市大學), formerly named as “Asia (Macau) International Open University (亞洲(澳門)國際公開大學)”, in November 2005.

The Company has entered into a service contract with Mr. Liu on 1 September 2014, in which Mr. Liu will hold office only until the next following general meeting of the Company and will then be eligible for re-election at that meeting and retirement by rotation at the subsequent annual general meetings of the Company in accordance with the Articles. The appointment of Mr. Liu as non-executive Director can be terminated by one-month notice in writing served by either party on another. Mr. Liu is entitled to a salary of HK\$20,000 per month, which is determined by the remuneration committee of the Company with reference to his duties and responsibilities within the Company.

Mr. Liu is interested in 32% of Pohua JT Capital Partners Limited, which is a substantial shareholder of the Company holding 5,835,820,000 Shares, representing approximately 70.39% of the issued share capital of the Company as at the date of this circular. Save as disclosed above, Mr. Liu has no relationship with any Directors, senior management or substantial shareholders of the Company. Mr. Liu does not have any interest (within the meaning of Part XV of the SFO in the securities of the Company. Mr. Liu was appointed a supervisor of Dynagreen Environmental Protection Group Co., Ltd. (stock code: 1330) on 18 December 2013, a company listed on the main board of the Stock Exchange. Save as disclosed, Mr. Liu has not been a director of any listed companies in the past three years.

Mr. Liu has not been involved in any of the events under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters in relation to the re-election of Mr. Liu as a non-executive Director that need to be brought to the attention of the Shareholders of the Company.



## LETTER FROM THE BOARD

**Mr. Miu Hon Kit** (“**Mr. Miu**”), aged 46, was appointed an independent non-executive Director on 8 July 2014. Mr. Miu is a qualified accountant with over 20 years of professional experience in auditing, accounting, compliance, corporate finance and private equity investments. He is currently the Adjunct Professor in the Department of Finance of The Chinese University of Hong Kong. Mr. Miu received a Master’s degree in Business Administration from Imperial College London and a Bachelor of Arts in Accountancy with Honours from City University of Hong Kong. Mr. Miu is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants (UK). He is also admitted to the membership of The Institute of Chartered Accountants in England and Wales. Mr. Miu was an independent non-executive director of Centron Telecom International Holdings Limited (stock code: 1155), from April 2007 to December 2009.

Save as disclosed above, Mr. Miu 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. Miu does not have any relationship with other directors, senior management, substantial or controlling shareholders of the Company. As at the date of this circular, Mr. Miu did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. Miu and the Company in relation to his appointment as an independent non-executive director of the Company. The current emolument of Mr. Miu acting as an independent non-executive Director is HK\$18,000 per month, which was determined by the remuneration committee of the Company with reference to his position, his level of responsibilities, remuneration policy of the Company and prevailing market conditions. Mr. Miu has no fixed term of service with the Company. Mr. Miu will hold office only until the next following general meeting of the Company and will then be eligible for re-election at that meeting and retirement by rotation at the subsequent annual general meetings of the Company in accordance with the Articles.

Mr. Miu has not been involved in any of the events under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Miu as an independent non-executive Director that need to be brought to the attention of the Shareholders of the Company.

### **EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM is set out on pages 9 to 10 of this circular and a form of proxy for the EGM is enclosed. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy and return it 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, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the EGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

## LETTER FROM THE BOARD

### VOTING BY POLL

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

No Shareholder has a material interest in the proposed refreshment of the Scheme Mandate Limit or the re-election of Directors and therefore no Shareholder is required to abstain from voting at the EGM in respect of the resolutions proposed to refresh the Scheme Mandate Limit and the re-election of Directors.

### 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 considers that the refreshment of the Scheme Mandate Limit will provide the Company with greater flexibility in granting share options to eligible participants under the Share Option Scheme. The Board considers that the proposed refreshment is in the best interests of the Company and the Shareholders as a whole and recommends all Shareholders to vote in favour of the resolution to be proposed at the EGM. The Board also considers the re-election of Mr. Liu Jinsong as non-executive Director and the re-election of Mr. Miu Hon Kit as independent non-executive Director are in the interests of the Company and the Shareholders as a whole. The Board recommends all Shareholders to vote in favour of the resolutions proposed at the EGM in respect of such re-elections.

Yours faithfully,  
For and on behalf of  
**Kong Sun Holdings Limited**  
**Liu Wen Ping**  
*Executive Director*



**KONG SUN HOLDINGS LIMITED**

**江山控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 295)**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of Kong Sun Holdings Limited (the “**Company**”) will be held at 37/F, Cosco Tower, 183 Queen’s Road Central, Hong Kong on 30 September 2014 at 11:00 a.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions:

**ORDINARY RESOLUTIONS**

1. “**THAT**, subject to and conditional upon the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under the Refreshed Scheme Mandate Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the existing share option scheme of the Company up to a new 10 per cent limit (the “**Refreshed Scheme Mandate Limit**”) be approved provided that:
  - (a) the total number of Shares which may be issued upon exercise of options to be granted under such scheme after the date of the passing of this resolution, together with all options to be granted under any other share option scheme(s) of the Company on or after the date of passing this resolution, must not exceed 10 per cent of the number of Shares in issue as at the date of passing this resolution; and
  - (b) options granted prior to the date of passing this resolution under such scheme or any other share option scheme(s) of the Company (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with such scheme or such other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit and any director of the Company be and is hereby authorised to do such act and execute such document to effect the Refreshed Scheme Mandate Limit.”

## NOTICE OF EXTRAORDINARY GENERAL MEETING

2. “THAT Mr. Liu Jinsong be re-elected as a non-executive director of the Company.”
3. “THAT Mr. Miu Hon Kit be re-elected as an independent non-executive director of the Company.”

By Order of the Board  
**Kong Sun Holdings Limited**  
**Liu Wen Ping**  
*Executive Director*

Hong Kong, 15 September 2014

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (who must be an individual) to attend and on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company’s share registrar, Computershare Hong Kong Investors Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the relevant joint holding.

*As at the date of this notice, the Board comprises Mr. Chang Hoi Nam and Mr. Liu Wen Ping as executive directors, Mr. Liu Jinsong as non-executive director, and Mr. Man Kwok Leung, Mr. Miu Hon Kit and Dr. Wong Yun Kuen as independent non-executive directors.*