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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)**

## **VOLUNTARY ANNOUNCEMENT**

### **EXEMPTED FINANCIAL ASSISTANCE BY CONNECTED PERSON**

#### **THE LOAN AGREEMENT**

The Board announced that on 19 November 2015, the Company and Pohua JT, the controlling shareholder of the Company, entered into the Loan Agreement pursuant to which Pohua JT agreed to grant the Loan in the aggregate principal amount of HK\$1,500,000,000 to the Company, upon and subject to the terms and conditions set out therein.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Pohua JT is the controlling shareholder of the Company holding approximately 59.83% of the entire issued share capital of the Company and is therefore a connected person of the Company. Accordingly, the Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the Loan was provided for the benefit of the Company on normal commercial terms (or better) and no security over assets of the Group is granted in respect of the Loan, the Loan Agreement is exempted from the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. This announcement is made on a voluntary basis by the Company.

The Board announced that on 19 November 2015, the Company and Pohua JT, the controlling shareholder of the Company, entered into the Loan Agreement pursuant to which Pohua JT agreed to grant the Loan in the aggregate principal amount of HK\$1,500,000,000 to the Company, upon and subject to the terms and conditions set out therein. The principal terms of the Loan Agreement are set out as follows:

## **THE LOAN AGREEMENT**

### **Date**

19 November 2015

### **Parties**

- (i) the Company, as borrower; and
- (ii) Pohua JT, as lender

### **Principal amount**

HK\$1,500,000,000

### **Maturity Date**

The third anniversary from the date of drawdown of the Loan.

### **Interest rate**

The interest of the Loan shall accrue at 5.8% per annum and shall be payable semi-annually.

### **Repayment**

Unless otherwise specified, the Company shall repay the whole or any part of the principal amount of the Loan, together with interest accrued and unpaid thereof on the third anniversary from the date of drawdown of the Loan.

### **Voluntary repayment**

The Company shall have the right to make early repayment of the whole or any part of the principal amount outstanding under the Loan, together with interest accrued and unpaid thereof by giving a written notice to Pohua JT of not less than ten (10) Business Days.

## **INFORMATION ABOUT THE COMPANY**

The Company is principally engaged in properties investment, manufacturing and sale of life-like plants, and investment in and development of photovoltaic power plants in the PRC.

## **INFORMATION ABOUT POHUA JT**

Pohua JT is a private equity investment fund established in the Cayman Islands and is a controlling shareholder of the Company holding approximately 59.83% of the entire issued share capital of the Company.

## **REASONS FOR AND BENEFITS OF THE LOAN**

The Company intends to use the proceeds from the Loan as general working capital of the Company which also serves to support the Company's future business developments.

The terms of the Loan Agreement (including the interest rate) were arrived at after arm's length negotiations between the Company and Pohua JT. Having considered the prevailing market borrowing rates quoted by commercial banks in Hong Kong and the coupon rate of the Company's existing corporate bonds, the Directors are of the view that the transactions contemplated under the Loan Agreement could lower the finance costs incurred by the Company and are on normal commercial terms, and therefore the Loan is in the best interests of the Company and its Shareholders as a whole.

Dr. Ma Ji and Mr. Chang Tat Joel are general partners at Pohua JT and therefore they are considered to have a material interest in the Loan Agreement and are required to abstain, and have abstained, from voting on the relevant resolutions of the Board. Save for the above, no other Directors has a material interest in the Loan Agreement or was required to abstain from voting on the relevant resolutions of the Board.

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## DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	a day other than Saturday, Sunday and public holiday on which banks are open for general business in Hong Kong
“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
“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange
“Loan”	the term loan in the principal amount of HK\$1,500,000,000 granted by Pohua JT to the Company pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 19 November 2015 entered into between the Company and Pohua JT relating to the provision of the Loan
“Pohua JT”	Pohua JT Private Equity Fund L.P., a private equity investment fund established in the Cayman Islands and a controlling shareholder of the Company

“Shareholders” the shareholders of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent.

By order of the Board  
**Kong Sun Holdings Limited**  
**Mr. Liu Wen Ping**  
*Executive Director*

Hong Kong, 19 November 2015

*As of the date of this announcement, the Board comprises two executive directors, Mr. Liu Wen Ping and Mr. Chang Hoi Nam, two non-executive directors, Dr. Ma Ji and Mr. Chang Tat Joel, and three independent non-executive directors, Mr. Miu Hon Kit, Mr. Wang Haisheng and Mr. Lu Hongda.*