

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Stock code: 295)

(incorporated in Hong Kong with limited liability)

DELAY IN PUBLICATION OF ANNUAL RESULTS AND DESPATCH OF ANNUAL REPORT

The Company announces that the publication of the Annual Results will be delayed to 10 September 2004 from the originally scheduled date of 30 June 2004 as announced on 7 May 2004.

The Company also announces that the Directors have made an application to the High Court for an order to, inter alia, extend the time for the Company to lay before the 2003 annual general meeting of the Company the Annual Results under section 122 of the Companies Ordinance for three months until 30 September 2004. The despatch of the Annual Report will also be delayed pending the hearing by the High Court to determine the said application (instead of the originally scheduled date of 7 July 2004 as announced on 7 May 2004).

The Company will make further announcement(s) regarding the determination of the said hearing and the date of despatch of the Annual Report.

The delay in publication of the Annual Results and the despatch of the Annual Report constitute breaches of Rules 13.49(1) and 13.46(2) of the Listing Rules by the Company respectively and the Stock Exchange reserves its rights to take further action against the Company and the Directors.

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 June 2004 at the request of the Company, and will continue to be suspended pending the release of an announcement in respect of certain transactions involving the Group and are discloseable under the current Listing Rules and the Listing Rules in effect immediately prior to 31 March 2004.

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

The Company announces that the publication of the Annual Results will be delayed to 10 September 2004 from the originally scheduled date of 30 June 2004 as announced on 7 May 2004, given that the Annual Results are not yet finalised and also the auditors of the Company as appointed by the Company on 4 June 2004 are still in the course of finalising the audit of the Annual Results.

Pursuant to section 122 of the Companies Ordinance, the Directors are required to lay before the 2003 annual general meeting of the Company a profit and loss account of the Company made up to a date falling not more than 6 months before the date of the said meeting. As the Company will not be able to convene its annual general meeting on 30 June 2004 and to lay before such meeting the Annual Results, the Company will contravene section 122 of the Companies Ordinance. Nonetheless, the Directors have made an application to the High Court for an order to, inter alia, extend the time for the Company to lay before the 2003 annual general meeting of the Company the Annual Results under section 122 of the Companies Ordinance for three months until 30 September 2004. The despatch of the Annual Report will also be delayed pending the hearing by the High Court to determine the said application (instead of the originally scheduled date of 7 July 2004 as announced on 7 May 2004).

The major reasons for the delay in finalising the audit of the Annual Results are as follows:

- (a) As Ernst & Young was resigned on 27 May 2004, the Company was only able to appoint another auditors, RSM Nelson Wheeler on 4 June 2004. Consequently, RSM Nelson Wheeler commenced their audit work a month later than the originally scheduled date; and
- (b) RSM Nelson Wheeler requires more time to ascertain, inter alia, certain audit issues arising from certain legal proceedings involving the Group.

The Company will make further announcement(s) regarding the determination of the said hearing and the date of despatch of the Annual Report.

The delay in publication of the Annual Results and the despatch of the Annual Report constitute breaches of Rules 13.49(1) and 13.46(2) of the Listing Rules by the Company respectively and the Stock Exchange reserves its rights to take further action against the Company and the Directors.

The Directors confirm that they have not dealt in the securities of the Company since 30 March 2004 and they will not deal in the securities of the Company until the Annual Results are announced.

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 June 2004 at the request of the Company, and will continue to be suspended pending the release of further announcement(s).

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

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

“ Annual Report ”	the annual report of the Company for the financial year ended 31 December 2003
“ Annual Results ”	the consolidated annual results of Company for the financial year ended 31 December 2003
“ Company ”	Kong Sun Holdings Limited, a limited company incorporated under the Companies Ordinance whose shares are listed on the Stock Exchange
“ Companies Ordinance ”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“ Director(s) ”	the director(s) of the Company
“ Group ”	the Company, its subsidiaries and associated companies
“ High Court ”	the High Court of Hong Kong
“ Hong Kong ”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ Listing Rules ”	the Rules Governing the Listing of Securities on the Stock Exchange
“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited

The Board as at the date hereof comprises:

Kong Look Sen (*Chairman and Managing Director*)

Kong Li Jer (*Executive Director*)

Kong Li Szu (*Executive Director*)

Ku Suen Fai (*Independent non-executive Director*)

Fai Cheong Hau (*Independent non-executive Director*)

By Order of the Board
Kong Look Sen
Chairman and Managing Director

Hong Kong, 30 June 2004

Please also refer to the published version of this announcement in The Standard dated 2 July 2004.