



KONG SUN HOLDINGS LIMITED
江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Kong Sun Holdings Limited (the "Company") will be held at Unit A, 1st Floor, Lippo Leighton Tower, 103, Leighton Road, Causeway Bay, Hong Kong on 15 November 2007 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

1. to receive and consider the audited consolidated financial statements and reports of the directors (the "**Directors**") and auditors of the Company for the year ended 31 December 2005;
2. to receive and consider the audited consolidated financial statements and reports of the Directors and auditors of the Company for the year ended 31 December 2006;
3. to re-elect Directors and to authorise the board of Directors to fix the Directors' remuneration;
4. to re-appoint auditors and to authorise the board of Directors to fix their remuneration;

and, as special business and, if thought fit, passing with or without amendments, the following resolution as special resolution:

5. **"THAT:**

SPECIAL RESOLUTION

"THAT the articles of association (the "Article(s)") of the Company be and are hereby amended in the following manner:

(a) **Article 1**

- (i) by deleting the existing Article 1(B) in its entirety and substituting therefor a new Article 1(B) as follows:

"1. (B) Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, at any general meeting of the Company on a show of hands every Member who is present in person

(or, in the case of a Member being a corporation by its duly authorised representative) or by proxy shall have one vote, and on a poll every Member who is present in person (or, in the case of a Member being a corporation by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register.”

- (ii) by deleting the existing Article 1(G) together with its sub-heading “Rotation of Directors” in its entirety.
- (iii) by re-numbering the existing Article 1(H) to Article 1(G).
- (iv) by deleting the existing Articles 1(H) and 1(I) in its entirety and substituting therefor a new Article 1(H) as follows:

“1. (H) The Company may sell any shares in the Company if:

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holders of such shares as dividends in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death bankruptcy or operation of law; and
- (iii) the Company has, be advertisement in one or more newspapers circulating in Hong Kong including, where the issued ordinary shares capital of the Company is for the time being listed on the Stock Exchange (in which event an additional notice has also to be given to the same), the newspaper referred to in Article 131, given notice of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (iii) above and ending at the expiry of the period referred to in that paragraph.

To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it has been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.”

(b) **Article 3**

By inserting the following new definitions in Article 3:

““associates” shall have the meaning attributed to it in the Listing Rules;

“Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;”

(c) **Article 5**

by deleting the existing Article 5 in its entirety and substituting therefor a new Article 5 as follows:

“5. Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any shares or attaching to any class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”. No shares shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company.”

(d) **Article 6**

by deleting the existing Article 6 in its entirety and substituting therefor a new Article 6 as follows:

“6. Subject to the Ordinance and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. Purchases for redemption of a redeemable share:

(i) not made through the market or by tender shall be limited to a maximum price; and

(ii) by tender shall be made available to all Member alike.”

(e) **Article 18**

by deleting the existing Article 18 in its entirety and substituting therefor a new Article 18 as follows:

“18. All forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall be issued under a Seal and, if issued under an official seal, need not be signed by any person. The Board may also by resolution determine, either generally or in any particular case or cases, that any signatures or any such certificates need not be autographic but may be affixed to such certificates by some mechanical method or system.”

(f) **Article 41**

by deleting the existing Article 41 in its entirety and substituting therefor a new Article 41 as follows:

“41. A fee not exceeding 2 Hong Kong Dollars (or such maximum amount as shall the time being be approved by the Stock Exchange) may be charged by the Company for registering any transfer, or other documents relating to or affecting the title to any share, or for otherwise making any entry in the register relating to any share.”

(g) **Article 60**

by deleting the existing Article 60 in its entirety and substituting therefor a new Article 60 as follows:

“60. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the Listing Rules or a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (a) by the chairman of the meeting; or
- (b) by at least three shareholders present in person (or, in the case of a Member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Member or Members present in person (or, in the case of a Member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right vote at the meeting; or
- (d) by any Member or Members present in person (or, in the case of a Member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to attend and vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (e) if required by the Listing Rules, by the chairman of the meeting, any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent or more of the total voting rights at such meeting.

Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.”

(h) **Article 70A**

by inserting a new Article 70A as follows:

“70A. Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”

(i) **Article 74**

by deleting the existing Article 74 in its entirety and substituting therefor a new Article 74 as follows:

“74. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form (provided that this does not preclude the use of the two-way form) or such other form as the Board may from time to time approve, provided that it shall enable a Member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.”

(j) **Article 77**

by deleting the existing Article 77 in its entirety and substituting therefor a new Article 77 as follows:

“77. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these Articles to appoint any person to be a Director and subject to the Ordinance, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election provided that any Director who so retires shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”

(k) **Article 78**

by deleting the existing Article 78 in its entirety and substituting therefor a new Article 78 as follows:

“78. The Company may by ordinary resolution remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by ordinary resolution to appoint another person in his stead. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number) and shall then be eligible for re-election provided that any Director who so retires shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.”

(l) **Article 79**

by deleting the existing Article 79 in its entirety and substituting therefor a new Article 79 as follows:

“79. No person other than a retiring Director shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose such person for election as a Director, signed by a shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by such person of his willingness to be elected shall have been lodged at head office or at its registration office to the Secretary. The minimum length of the period during which such notices are given shall be at least seven days and the period for lodgement of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.”

(m) **Article 81**

by deleting the existing Article 81 in its entirety and substituting therefor a new Article 81 as follows:

“81. Subject to the special provisions set out in Part 1 of these Articles, at every annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director shall continue to act as a Director throughout the meeting at which he retires.”

(n) **Article 89**

by deleting the existing Article 89(G) to (J) in its entirety and substituting therefor a new Article 89(G) to (K) as follows:

“89. (G) Where a Director or any of his associates is, to the Director’s knowledge, in any way, whether directly or indirectly, interested in a contract or arrangement or propose contract or arrangement with the Company, he shall declare the nature of his or his associate(s)’ interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his or his associate(s)’ interest then exists, or in any other case, at the first meeting of the Board after he knows that he or any of his associates is or had become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that:

- (a) he or his associate is a Member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (b) he or his associate is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected to him or any of his associates;

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

- (H) Save as otherwise provided by these Articles, a Director shall not vote (nor be counted in the quorum in relation to) on any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associate(s) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:
- (i) the giving of any security or indemnity either:-
 - (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (iii) any proposal concerning any other company in which the Director or any of his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his associate(s) is/are beneficially interested in the shares of that company, provided that he and/or any of his associate(s) is/are not, beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;
 - (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (a) the adoption, modification or operating of any employees' share scheme or any share incentive scheme or share option scheme under which he or his associate(s) may benefit;

- (b) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors or any of his associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his associate(s) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”;
- (I) A company shall be deemed to be a company in which a Director and his associates own five (5) per cent. or more if and so long as (but only if and so long as) he and his associates are (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph, there shall be disregarded any shares held by a Director or any of his associate(s) as bare or custodian trustee and in which he or such associate(s) has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or any of his associates is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or any of his associates is interested only as a unit holder.
- (J) Where a company in which a Director and his associates hold five (5) per cent. or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- (K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or any of his associates (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or his associates as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his associates as known to such chairman has not been fairly disclosed to the Board.”

(o) **Article 122A**

by inserting a new Article 122A as follows:

“122A. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article no amount paid up on a share in advance of calls shall be treated as paid up on the share.”

(p) **Article 129**

by deleting the existing Article 129 in its entirety and substituting therefor a new Article 129 as follows:

“129.A printed copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto, which is to be laid before the Company in annual general meeting, accompanied by the directors’ report, the auditors’ report and the notice of the annual general meeting, shall, not less than 21 days before the date of the meeting, be sent to every Member and each other person entitled thereto under the Ordinance, and copies shall also be sent in appropriate numbers to the Stock Exchange in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligations binding on the Company by virtue of any listing.”

By order of the Board
Kong Sun Holdings Limited
Tse On Kin
Chairman

Hong Kong, 22 October 2007

*Registered office and
principal place of business:*

Unit A, 1st Floor
Lippo Leighton Tower
103, Leighton Road
Causeway Bay
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy can vote on a poll. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed, or a certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, 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.
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the annual general meeting or any adjournment thereof.
4. The register of members of the Company will be closed from 12 November 2007 to 15 November 2007, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for the attendance to the annual general meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by 11:00 a.m. on 12 November 2007.
5. As at the date of this announcement, the Board comprises three executive directors, Mr. Tse On Kin, Mr. Chan Chi Yuen and Mr. Kong Li Szu; and three independent non-executive directors, Dr. Wong Yuen Kuen, Ms. Lo Miu Sheung, Betty and Mr. Chan Chiu Hung, Alex.