

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

(incorporated in Hong Kong with limited liability)

(Stock Code: 295)

**FULFILLMENT OF ALL RESUMPTION CONDITIONS
AND
RESUMPTION OF TRADING**

Financial adviser to Kong Sun Holdings Limited

VEDA | CAPITAL
智略資本

COMPLETION OF ALL CONDITIONS SET OUT IN THE LETTER

The Board is pleased to announce that as at 16 December 2008, all the conditions set out in the Letter for the resumption of trading in the Shares on the Stock Exchange have been fulfilled.

RESUMPTION OF TRADING

The Company has made an application to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 December 2008.

Reference is made to the announcements of the Company dated 10 July 2008 and 11 December 2008 regarding the progress of resumption of trading in the Shares (the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

COMPLETION OF ALL CONDITIONS SET OUT IN THE LETTER

Trading in the Shares of the Company on the Stock Exchange was suspended since 9:30 a.m. on 17 June 2004. Pursuant to Practice Note 17 to the Listing Rules, the Stock Exchange served a notice dated 16 May 2007 to the Company giving the Company a period of six months for the submission of a viable resumption proposal to the Stock Exchange, failing which the Stock Exchange may give notice to cancel the listing of the Company on the expiry of the six months from the date of the notice, i.e. on or before 15 November 2007.

A Proposal dated 31 October 2007 was submitted to the Stock Exchange in response to its notice dated 16 May 2007, providing the Stock Exchange with information about the Group in terms of, among other things, its response to the auditor's qualification on the financial statements of the Group after suspension, its operations, financial position and performance to demonstrate its compliance to Listing Rule 13.24 that it has sufficient level of operations and has sufficient value of tangible assets, its plan and implementation of adequate and effective financial reporting system and internal control procedures, and its future development. Subsequently, on 23 June 2008, the Company provided the Stock Exchange with updated information relating to the Proposal.

A Listing Committee hearing was held on 26 June 2008, the Stock Exchange issued the Letter dated 27 June 2008 to the Company stated that the Listing Committee decided to allow the Company to proceed with the Proposal, subject to prior compliance with all conditions as set out in the Letter to the satisfaction of the Listing Division within six months from the date of the Letter, i.e. on or before 26 December 2008.

The Board is pleased to announce that as at 16 December 2008, all the conditions as set out in the Letter have been fulfilled. Details of the fulfillment of those conditions are as follows:

- (a) (i) Details of the Proposal and the actions taken by the Company to remedy those matters that gave rise to the Stock Exchange's proposal to cancel the listing of the Company were disclosed in the announcements of the Company dated 10 July 2008 and 11 December 2008.
- (ii) Details of the transactions for which the Company has failed to comply with the notifiable and connected transaction requirements under the Listing Rules were disclosed in the announcement of the Company dated 3 November 2008.
- (b) The Company has complied with the applicable requirements in the Listing Rules, including the Shareholders' approval requirement, in respect of the transactions contemplated under the Proposal. At the extraordinary general meetings held on 17 January 2008 and 24 June 2008 respectively, the Tree Acquisition, the Properties Acquisition and the proposed placing of the Convertible Bonds and the Second Convertible Bonds were duly and unanimously passed by the Shareholders attending and eligible to vote pursuant to the Listing Rules.

- (c) Completion of the Tree Acquisition, the Properties Acquisition and the placing of the Convertible Bonds and the Second Convertible Bonds were took place on 16 December 2008.
- (d) The Company has undertaken to appoint an independent professional firm to conduct a full scope review on the financial reporting system and internal control procedures of the enlarged Group after completion of the Proposal and that
- the Company will procure the professional firm to issue a review report, together with any proposed remedial measures and timetable for implementation of such remedial measures, within six months from the date of completion of the Proposal; and
 - the Company will report the progress of its implementation of the remedial measures proposed by the professional firm in its annual report(s) for the year ending 31 December 2008 and subsequent financial year(s).
- (e) A compliance adviser, Kingston Corporate Finance Limited, was appointed pursuant to the Listing Rule 3A.20 to provide guidance and advice to the Company on the Listing Rules compliance issues. Details of the appointment were disclosed in the announcement of the Company dated 31 October 2008.
- (f) Mr. Kong has completed training in compliance and corporate governance matters for 24 hours on courses held by the recognized professional organization acceptable to the Listing Division and has furnished to the Listing Division evidence of attendance within two weeks after full compliance with the training requirement.

RESUMPTION OF TRADING

Trading in the Shares of the Company on the Stock Exchange was suspended since 9:30 a.m. on 17 June 2004. The Board is pleased to announce that all conditions set out in the Letter for the resumption of trading in the Shares on the Stock Exchange have been satisfied. The Company has made an application to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 17 December 2008.

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

Hong Kong, 16 December 2008

As at the date of the announcement, the board of directors of the Company comprises three executive directors, Mr. Tse On Kin, Mr. Chan Chi Yuen and Mr. Yu Pak Yan, Peter; and three independent non-executive directors, Ms. Lo Miu Sheung, Betty, Mr. Lau Man Tak and Dr. Wong Yun Kuen.