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TAKSON HOLDINGS LIMITED

第一德勝控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 918)

GRANT OF SHARE OPTION

The board of directors of the Company wishes to announce that on 14 December 2009, the Company and Hung Wah entered into the Option Agreement pursuant to which the Company has conditionally agreed to grant Hung Wah an option to subscribe for up to a maximum of 36,000,000 Shares at the Option Price during the Option Period in consideration of HK\$0.08 per Share under the Option payable by Hung Wah to the Company after fulfilment of the conditions set out below. The Option will not be listed on the Stock Exchange.

The Option Agreement is conditional on the granting of listing of and permission to deal in the Shares to be issued on exercise of the Option by the Listing Committee of the Stock Exchange.

The principal terms of the Option Agreement are set out below.

Date: 14 December 2009

Parties: (1) The Company

(2) Hung Wah, which to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Hung Wah and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Key terms: (1) The Company has conditionally agreed to grant Hung Wah an option to subscribe for up to a maximum of 36,000,000 Shares at the Option Price during the Option Period, in consideration of HK\$0.08 per Share under the Option payable by Hung Wah to the Company upon fulfilment of the condition set out below.

- (2) The Option Price of HK\$0.34 per Share represent a discount of approximately 4.2% to the closing price per Share as at 14 December 2009 and a premium of approximately 4.3% to the average closing price per Share for the 5 trading days up to and including 11 December 2009. The Option Price and the consideration of HK\$0.08 per Share of the Option are determined pursuant to arm's length negotiations between Hung Wah and the Company and with reference to a valuation of the Option as prepared by an independent valuer in early December 2009.
- (3) The Option may be exercised in whole or in part at any time and from time to time during the Option Period.
- (4) The total amount of the Option Price payable upon each exercise of the Option shall be equal to the number of Option Shares specified in the Exercise Notice multiplied by the Option Price.
- (5) The benefit of the Option Agreement may not be assigned in whole or in part by Hung Wah.

Conditions: The Option Agreement is conditional on the granting of listing of and permission to deal in the Shares to be issued on exercise of the Option by the Listing Committee of the Stock Exchange.

In the event that the condition set out above is not fulfilled by 31 December 2009 (or such later date as the parties may agree), the Option Agreement shall thereupon forthwith cease and determine and neither party shall have any claim against the other save for any antecedent breach.

Size of Option: The exercise of the entire Option will result in the issue of 36,000,000 Shares, constituting approximately 4.98% of the existing issued share capital of the Company and approximately 4.75% of the Company's existing issued share capital as enlarged by such issue. The exercise of the entire Option will, assuming no other issue of new Shares, result in the issue of 36,000,000 new Shares to Hung Wah, Hung Wah's percentage shareholding interest in the Company will be approximately 4.75%.

Adjustments to the Option Price: The Option Price shall be adjusted in the event of:—

- (a) consolidation or sub-division of the Shares
- (b) an issue by the Company (other than in lieu of a cash dividend) of any Shares by way of capitalisation of profits or reserves

- (c) if the Company shall make any distributions in cash or specie (other than payment of dividends) to the Shareholders.

REASONS FOR ENTERING INTO THE OPTION AGREEMENT

The Group is principally engaged in the business of sourcing, subcontracting, marketing and selling of garments and sportswear products.

The Directors believe that the entering into of the Option Agreement will provide a good opportunity to raise working capital for its business needs and to enlarge its Shareholder base.

Assuming that the Option will be exercised in full, the gross proceeds from the Option Agreement will be HK\$15,120,000. The estimated net proceeds from the Option Agreement of approximately HK\$15,000,000 are intended to be used as general working capital for the Company. On the aforesaid basis, the net price to the Company per Share under the Option is approximately HK\$0.417.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company had not conducted any fund raising activities in the past twelve months before the date of this announcement.

GENERAL

Application will be made to the Stock Exchange for the listing of and permission to deal in the new Shares issuable upon exercise of the Option. The Option will not be listed on the Stock Exchange. The Option is granted pursuant to the general mandate given to the board of directors of the Company as approved at the annual general meeting of the Company on 28 August 2009 and is not subject to any Shareholders' approval.

DEFINITIONS

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

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| “Company” | Takson Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange |
| “Date of Grant” | the date of grant of the Option, namely, the date the Optionholder effects payment of the consideration for the Option to the Company in cleared funds in accordance with the Option Agreement |
| “Director(s)” | the director(s) of the Company |

“Exercise Date”	any business day falling during the Option Period on which the Option is duly exercised before the close of business on such day by delivery of an Exercise Notice to the Company provided that if an Exercise Notice is served during a period when the register of holders of Shares is closed the “Exercise Date” shall be the next following business day on which the register of holders of Shares is open
“Exercise Notice”	a notice to be completed, signed and delivered by Hung Wah to the Company in accordance with the Option Agreement in order to exercise the Option in whole or in part
“Group”	the Company and its subsidiaries
“Hung Wah” or “Optionholder”	Hung Wah Knitwear Factory Limited, a company incorporated in Hong Kong, which to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Hung Wah and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“HK\$”	Hong Kong dollars, the lawful currency 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
“Option”	the right to subscribe in aggregate for up to the Option Shares at a price per Share equal to the Option Price in force on the relevant Exercise Date
“Option Agreement”	the option agreement dated 14 December 2009 made between the Company and Hung Wah for the grant of the Option to Hung Wah
“Option Period”	the period from the Date of Grant to the second anniversary of the Date of Grant (both dates inclusive)
“Option Price”	the amount payable in respect of each Share on exercise of the Option being HK\$0.34 for the period from the Date of Grant up to the second anniversary of the Date of Grant
“Option Shares”	up to a maximum of 36,000,000 new Shares issuable upon the exercise of the Option

“Share(s)”	the share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Takson Holdings Limited
Tong Yat Chong
Company Secretary

Hong Kong, 14 December 2009

The board of directors of the Company at the date of this announcement comprises Mr. Wong Tek Sun, Takson, Ms. Pang Shu Yuk, Adeline Rita, who are executive directors; and Mr. Chau Tsun Ming, Jimmy, Mr. Cunningham James Patrick and Mr. Wong Kwok Tai, who are independent non-executive directors; and Mr. Wong Tak Yuen is the non-executive director.