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GLORIOUS SUN ENTERPRISES LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

CONTINUING CONNECTED TRANSACTIONS

On 21 July 2009, two wholly-owned subsidiaries of the Company as tenants entered into the New Tenancy Agreements with the Landlords in respect of the leasing of three residential premises.

As the Landlords are companies owned by certain Directors and Substantial Shareholders, the Landlords are connected persons of the Company. Accordingly, the entering into of the New Tenancy Agreements constitutes continuing connected transactions for the Company under the Listing Rules.

With the entering into of the New Tenancy Agreements, the aggregate annual caps are revised.

Since the aggregate annual cap for each of the years ending 31 December 2009, 2010 and 2011 is more than HK\$1,000,000 but represents less than 2.5% of each of the applicable percentage ratios as defined in the Listing Rules, the continuing connected transactions are exempt from independent shareholders' approval but are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

NEW TENANCY AGREEMENTS

On 21 July 2009, the New Tenancy Agreements were entered into by two wholly-owned subsidiaries of the Company, each for a term of two years commencing on 1 August 2009 and expiring on 31 July 2011. The New Tenancy Agreements are renewal of the Previous Tenancy Agreements entered into on 31 July 2007 in relation to three residential premises as disclosed in the Company's announcement dated 7 August 2007.

The principal terms of the New Tenancy Agreements are as follows :

Premises leased	Area (square feet)	Use of premises	Landlord	Tenant	Monthly Rent (HK\$)	Annual Rent (HK\$)	Monthly Rent under the Previous Tenancy Agreements (HK\$)
11/F & Car Port No.14, Silver Fair Mansion, 2E Shiu Fai Terrace, Mid-Levels East, Hong Kong ("Silver Fair Mansion")	1,200	director's residence	GS (Yeungs)	Pacific Potential	23,500	282,000	24,500
House C6, Sea View Villa, Sai Kung, New Territories ("Sea View Villa")	1,847	staff quarters	GS (Yeungs)	Advancetex International	35,000	420,000	38,000
Flat C, 6/F & Car Park No. 22, Lucky Court, 99 Waterloo Road, Kowloon ("Lucky Court")	1,650	staff quarters	Gantin	Advancetex International	24,000	288,000	26,000

Total : 82,500 990,000 88,500

The monthly rentals are exclusive of rates, management charges and all other outgoings and are payable in cash on a monthly basis.

AGGREGATE ANNUAL CAP

The aggregate annual caps, as announced in the Company's announcement dated 14 July 2008, are HK\$15,000,000, HK\$14,000,000 and HK\$9,000,000 for the years ending 31 December 2009, 2010 and 2011 respectively.

With the entering into of the New Tenancy Agreements, the aggregate annual caps have to be revised. The aggregate annual cap for the year ending 31 December 2009 remains at HK\$15,000,000, and the aggregate annual caps for the years ending 31 December 2010 and 2011 are revised to HK\$15,000,000 and HK\$10,000,000 respectively. The table below shows how to determine the aggregate annual caps:

Date of announcement	Premises	Term	Rental and management fee (as appropriate) per annum	Amount payable		
				Year ending 31/12/2009	Year ending 31/12/2010	Year ending 31/12/2011
Previous Tenancy Agreements						
7/8/2007	Silver Fair Mansion	2 years from 1/8/2007 to 31/7/2009	HK\$294,000	HK\$171,500	N/A	N/A
7/8/2007	Sea View Villa	2 years from 1/8/2007 to 31/7/2009	HK\$456,000	HK\$266,000	N/A	N/A
7/8/2007	Lucky Court	2 years from 1/8/2007 to 31/7/2009	HK\$312,000	HK\$182,000	N/A	N/A
Existing Tenancy Agreements						
14/7/2008	One Kowloon premises	3 years from 1/8/2008 to 31/7/2011	HK\$10,147,620	HK\$10,147,620	HK\$10,147,620	HK\$6,879,355
14/7/2008	Yarra Street premises	3 years from 1/8/2008 to 31/7/2011	first year of the term : A\$450,000; second year of the term : A\$463,500; third year of the term : A\$477,405	A\$455,625 (approximately HK\$3,020,794)	A\$469,294 (approximately HK\$3,111,419)	A\$278,487 (approximately HK\$1,846,369)
New Tenancy Agreements						
this announcement	Silver Fair Mansion	2 years from 1/8/2009 to 31/7/2011	HK\$282,000	HK\$117,500	HK\$282,000	HK\$164,500
this announcement	Sea View Villa	2 years from 1/8/2009 to 31/7/2011	HK\$420,000	HK\$175,000	HK\$420,000	HK\$245,000
this announcement	Lucky Court	2 years from 1/8/2009 to 31/7/2011	HK\$288,000	HK\$120,000	HK\$288,000	HK\$168,000
Total amount payable				HK\$14,200,414	HK\$14,249,039	HK\$9,303,224
Aggregate annual cap				HK\$15,000,000	HK\$15,000,000	HK\$10,000,000

GENERAL

An independent professional valuer has provided the Company with the current rental opinion in respect of the three residential premises. The rentals under the New Tenancy Agreements are in line with the opinion provided by the independent professional valuer.

The Directors, including the independent non-executive Directors, consider that the New Tenancy Agreements have been entered into in the ordinary course of business of the Company, on normal commercial terms which are fair and reasonable, and in the interests of the shareholders of the Company as a whole. Dr. Charles Yeung and Mr. Yeung Chun Fan have abstained from voting on the relevant resolutions at the Directors' meeting for approving the New Tenancy Agreements.

As at 22 July 2009, Dr. Charles Yeung and Mr. Yeung Chun Fan together hold 52.31% interest in the Company.

REASONS FOR THE TRANSACTIONS

The Group is principally engaged in the retailing, export and production of casual wear.

The Group has been renting the three residential premises for years and the Previous Tenancy Agreements will expire on 31 July 2009. Accordingly, the Company considers it to be commercially necessary and beneficial to renew the tenancies for the residential premises so that there would have no impact generated by relocation.

LISTING RULES IMPLICATIONS

As the Landlords are companies owned by certain Directors and Substantial Shareholders, the Landlords are associates (as defined in the Listing Rules) of those Directors and Substantial Shareholders. Therefore, the Landlords are connected persons of the Company within the meaning of the Listing Rules. Accordingly, the entering into of the New Tenancy Agreements constitutes continuing connected transactions for the Company under Rules 14A.34 and 14A.35 of the Listing Rules. Since the aggregate annual cap for each of the years ending 31 December 2009, 2010 and 2011 is more than HK\$1,000,000 but represents less than 2.5% of each of the applicable percentage ratios as defined in the Listing Rules, the continuing connected transactions are exempt from independent shareholders' approval but are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

“Advancetex International”	Advancetex International Trading (HK) Company Limited 大進國際貿易(香港)有限公司, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Company”	Glorious Sun Enterprises Limited
“Directors”	directors of the Company
“Existing Tenancy Agreements”	the tenancy agreement entered into on 11 July 2008 in relation to the leasing of One Kowloon premises in Hong Kong and the lease entered into on 11 July 2008 in relation to the leasing of Yarra Street premises in Australia, details of which are set out in the Company's announcement dated 14 July 2008

“Gantin”	Gantin Limited 景添有限公司, a company incorporated in Hong Kong which is engaged in property investment and owned as to 50% by each of Dr. Charles Yeung and Mr. Yeung Chun Fan, both of whom are the Directors and Substantial Shareholders
“Group”	the Company and its subsidiaries or, where the context so requires, any of them
“GS (Yeungs)”	G. S. (Yeungs) Limited, a company incorporated in Hong Kong which is engaged in property investment and owned as to 66.7% and 33.3% by Dr. Charles Yeung and Mr. Yeung Chun Fan respectively, both of whom are the Directors and Substantial Shareholders
“Landlords”	GS (Yeungs) and Gantin
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Pacific Potential”	Pacific Potential Trading Company Limited 力佳實業有限公司, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Previous Tenancy Agreements”	the tenancy agreements entered into on 31 July 2007 in relation to the leasing of three residential premises as disclosed in the Company’s announcement dated 7 August 2007
“New Tenancy Agreements”	the tenancy agreements entered into on 21 July 2009 in relation to the leasing of three residential premises as disclosed in this announcement
“Substantial Shareholders”	substantial shareholders of the Company as defined in the Listing Rules
“A\$”	Australian dollars, the lawful currency of Australia
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region

In this announcement, for reference only, the translation of Australian dollars into Hong Kong dollars is based on the exchange rate of A\$1=HK\$6.63 which is the average exchange rate for the latest financial year.

By Order of the Board
Hui Chung Shing, Herman, BBS, JP
Director

Hong Kong, 22 July 2009

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Dr. Charles Yeung, SBS, JP, Mr. Yeung Chun Fan, Mr. Yeung Chun Ho, Mr. Pau Sze Kee, Jackson, Mr. Hui Chung Shing, Herman, BBS, JP, Ms. Cheung Wai Yee and Mr. Chan Wing Kan, Archie

Independent Non-Executive Directors:

Mr. Wong Man Kong, Peter, BBS, JP, Mr. Lau Hon Chuen, Ambrose, GBS, JP and Mr. Chung Shui Ming, Timpson, GBS, JP

Non-Executive Director:

Dr. Lam Lee G.