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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other independent professional adviser.

If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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世纪阳光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

(1) ADOPTION OF SHARE OPTION SCHEME

(2) CHANGE OF AUDITORS

AND

(3) CHANGE OF COMPANY NAME

A notice convening an extraordinary general meeting of Century Sunshine Ecological Technology Holdings Limited (the "Company") to be held at Unit 3907, COSCO Tower, 183 Queen's Road Central Hong Kong, on 3 December 2008 at 11:00 a.m. is set out on pages 17 to 19 of this circular. A form of proxy is also enclosed. Whether or not you are able to attend and/or vote at the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's share registrar, Tricor Investor Services Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). The completion and delivery of proxy will not preclude you from subsequently attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish.

10 November 2008

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DEFINITIONS

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

“Adoption Date”	the date on which the Share Option Scheme is conditionally adopted by an ordinary resolution of the Shareholders
“Board”	the board of Directors
“Company”	Century Sunshine Ecological Technology Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened at Unit 3907, COSCO Tower, 183 Queen’s Road Central Hong Kong on 3 December 2008 at 11:00 a.m., notice of which is set out on pages 17 to 19 of this circular
“Eligible Participant(s)”	(a) any full-time or part-time employee of the Company and/or any subsidiary; (b) any director (including executive, non-executive and independent non-executive director) of the Company and/or any subsidiary; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Share Option Scheme”	the share option scheme adopted by the Company pursuant to a resolution passed by the then sole Shareholder on 31 January 2004
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) any person who is entitled, in accordance with the laws of succession applicable, to exercise any Option in consequence of the death of the original Grantee

DEFINITIONS

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	6 November 2008, being the latest practicable date prior to the date of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	an offer for the grant of an Option made in accordance with the Share Option Scheme
“Offer Date”	the date on which an Offer is made to an Eligible Participant pursuant to the Share Option Scheme
“Option”	an option to subscribe for Shares granted pursuant to the Share Option Scheme
“PRC”	the People’s Republic of China
“Proposed Change of Company Name”	the proposed change of the name of the Company from “Century Sunshine Ecological Technology Holdings Limited (世紀陽光生態科技控股有限公司)” to “Century Sunshine Group Holdings Limited (世紀陽光集團控股有限公司)”
“PwC”	PricewaterhouseCoopers
“Share(s)”	the ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the EGM, a summary of the principal terms of which is set out in the Appendix of this circular
“Shareholder(s)”	the holder(s) of the Share(s)
“SHINEWING”	SHINEWING (HK) CPA Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the Share Option Scheme
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



世纪阳光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

Executive Directors:

Mr. Chi Wen Fu (*Chairman*)

Mr. Shum Sai Chit

Mr. Zhou Xing Dun

Non-executive Directors:

Ms. Wong May Yuk

Mr. Wu Wen Jing, Benjamin

Ms. Chi Bi Fen

Independent Non-executive Directors:

Mr. Kwong Ping Man

Mr. Chu Wai Wa, Fangus

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head Office and Principal Place
of Business:*

Unit 3907, 39/F,

COSCO Tower,

183 Queen's Road Central,

Hong Kong

10 November 2008

To the Shareholders

Dear Sir or Madam,

(1) ADOPTION OF SHARE OPTION SCHEME

(2) CHANGE OF AUDITORS

AND

(3) CHANGE OF COMPANY NAME

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information with respect of the resolutions to be proposed at the EGM for (i) the adoption of the Share Option Scheme; (ii) the change of auditors of the Company and (iii) the change of company name.

PROPOSED ADOPTION OF THE SHARE OPTION SCHEME

The GEM Share Option Scheme adopted by the Company on 31 January 2004 was conditionally terminated by the Board on 27 June 2008 which became effective upon the listing of the Shares being transferred from GEM to the main board of the Stock Exchange

LETTER FROM THE BOARD

on 1 August 2008. No further options may be offered or granted under the GEM Share Option Scheme. Pursuant to the GEM Share Option Scheme, options previously granted but unexercised under the GEM Share Option Scheme which will entitle the holders of the options to be issued an aggregate of 58,275,000 Shares upon the exercise in full of all the outstanding options will remain valid and exercisable in accordance with their terms of issue.

The Board proposes to recommend to Shareholders to approve the Share Option Scheme so that options to subscribe for the Shares may be granted to the Eligible Participants pursuant to the terms thereof. The purpose of the Share Option Scheme is to enable the Company to grant Options to the Eligible Participants as incentive or reward for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the Eligible Participants. As at the Latest Practicable Date, the Company has not adopted any other share option scheme.

The terms of the Share Option Scheme provide that in granting Options under the Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also determine the Subscription Price in respect of any Option.

A summary of the principal terms of the proposed Share Option Scheme is set out in the Appendix to this circular.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the Options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables which are crucial for the calculation of the value of the Options which have not been determined. Such variables include the Subscription Price, option period, any lock-up period, any performance targets set and other relevant variables.

The Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution to approve the Share Options Scheme by the Shareholders in the EGM and to authorise the Board to grant the Options hereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under the Share Options Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares to be issued by the Company pursuant to the exercise of the Options which may be granted under the Share Options Scheme.

LETTER FROM THE BOARD

Subject to the obtaining of Shareholders' approval with respect to the adoption of the Share Option Scheme, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the issued share capital of the Company as at the date of approval of the Share Option Scheme. The Board shall not grant any Options which would result in the maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted but yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company which provide for the grant of options to acquire or subscribe for Shares exceeding, in aggregate, 30% of the issued share capital of the Company from time to time. As at the Latest Practicable Date, an aggregate of 58,275,000 Shares remain issuable upon the exercise in full of all the outstanding options previously granted but unexercised under the GEM Share Option Scheme and no Option has been agreed to be granted under the Share Option Scheme.

As at the Latest Practicable Date, there was 2,219,420,000 Shares in issue. Assuming no Shares will be issued or repurchased from the Latest Practicable Date to the date of the EGM on which the Share Option Scheme is expected to be adopted by the Shareholders, subject to the Share Option Scheme becoming effective, the Company may grant Options under the Share Option Scheme and any other share option schemes of the Company in respect of which up to 221,942,000 Shares, representing 10% of the Shares in issue, may be issued.

Application will be made to the Listing Committee of the Stock Exchange for approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options that may be granted under the Share Option Scheme.

Copy of the Share Option Scheme will be available for inspection during normal business hours (Saturdays and public holidays excepted) at the head office and principal place of business of the Company in Hong Kong at Unit 3907, 39/F, COSCO Tower, 183 Queen's Road Central, Hong Kong from the date of this circular until the date of the EGM.

PROPOSED CHANGE OF AUDITORS

PwC has resigned as the auditors of the Company and its subsidiaries with effect from 23 October 2008 as the Company could not reach an agreement with PwC on the audit fees for the financial year ending 31 December 2008.

The Board and the audit committee of the Company confirmed that there was no disagreement between the Company and PwC and there were no circumstances connected with PwC's resignation which the Board and the audit committee of the Company considered should be brought to the attention of the Shareholders.

The Company is incorporated under the laws of the Cayman Islands and it has been advised that there is no requirement under the laws of the Cayman Islands for the resigning auditors to provide a clearance letter to the Company confirming whether or not there are any circumstances connected with their resignation which they consider should be brought to the attention of the Shareholders. PwC has not issued such confirmation.

LETTER FROM THE BOARD

PwC had not commenced any audit work on the Company and its subsidiaries for the financial year ending 31 December 2008. It is anticipated that the change of auditors would not affect the audit and will not cause any delay in the release of the annual results of the Company for the said financial year.

The Board proposes to appoint SHINEWING as auditors of the Company until the conclusion of the next annual general meeting of the Company to fill the causal vacancy following the resignation of PwC. The appointment of SHINEWING as auditors of the Company is subject to the passing of an ordinary resolution by the Shareholders at the EGM.

CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from “Century Sunshine Ecological Technology Holdings Limited (世紀陽光生態科技控股有限公司)” to “Century Sunshine Group Holdings Limited (世紀陽光集團控股有限公司)”.

The Proposed Change of Company Name is to simplify the name of the Company and to reflect the future business development of the Company more appropriately. The Proposed Change of Company Name will take effect from the date on which the new name is entered on the register by the Registrar of Companies in the Cayman Islands in place of the existing name. The Company will further carry out the necessary filing procedures with the Registrar of Companies in Hong Kong. Upon the Proposed Change of Company Name becoming effective, all existing share certificates in issue bearing the current name of “Century Sunshine Ecological Technology Holdings Limited (世紀陽光生態科技控股有限公司)” will continue to be evidence of title to shares of the Company and valid for trading, settlement and registration purposes and the rights of the Shareholders will not be affected as a result of the change of company name. Should the Proposed Change of Company Name becomes effective, any issue of share certificates thereafter will be in the new company name and the securities of the Company will be traded on the Stock Exchange in the new name.

The Proposed Change of Company Name is subject to the passing of a special resolution by the Shareholders at the EGM and the approval of the Registrar of Companies in the Cayman Islands.

RECOMMENDATION

The Board (including all the independent non-executive Directors) considers that the Share Option Scheme, the change of the auditors and the company name of the Company are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board (including all the independent non-executive Directors) recommends the Shareholders to vote in favour of the resolutions as set out in the notice of the EGM.

RESPONSIBILITY

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained herein misleading.

By order of the Board
Chi Wen Fu
Chairman

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

The following is a summary of the principal terms of the rules of the Share Option Scheme proposed to be adopted at the EGM.

1. PURPOSE OF THE SCHEME

The purpose of the Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentive or reward for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the Eligible Participants.

2. PARTICIPANTS OF THE SHARE OPTION SCHEME AND ELIGIBILITY CRITERIA

The Eligible Participants of the Share Option Scheme to whom Options may be granted by the Board shall include (a) any full-time or part-time employee of the Company and/or any subsidiary; (b) any director (including executive, non-executive and independent non-executive director) of the Company and/or any subsidiary; and (c) any consultant or adviser (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of the Company and/or any subsidiary who, at the sole determination of the Board, have contributed or will contribute to the Company and/or any subsidiary.

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme. Though there is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance targets to be achieved before such Option can be exercised and/or any other terms as the Board may determine in its absolute discretion.

3. LIFE OF THE SHARE OPTION SCHEME

The Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options shall be offered but the provisions of the Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised at the time of termination. Upon such termination, details of the Option granted, including Options exercised or outstanding shall be disclosed in the circular to the Shareholders seeking approval of the first new scheme established.

Subject to the aforesaid, the Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the Share Option Scheme.

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

4. SUBSCRIPTION PRICE

The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the Share Option Scheme, be a price determined by the Board and notified to each Grantee and shall be at least the highest of:–

- (a) the closing price per Share on the main board as stated in the Stock Exchange's daily quotation sheet on the Offer Date;
- (b) the average closing price per Share on the Main Board as stated in the Stock Exchange's daily quotation sheets for the five (5) business days immediately preceding the Offer Date; or
- (c) the nominal value of a Share.

5. RESTRICTION ON THE TIME OF GRANT OF OPTION

No Offer must be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision of the Directors, until such price sensitive information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an Option during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's result for any year, half-year or quarter-year period or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to publish announcement of its results for any year, half-year or quarter-year period under the Listing Rules or any other interim period (whether or not required under the Listing Rules)

and ending on the date of announcement for such results. For the avoidance of doubt, the period in which no Options shall be granted mentioned above shall include any period of delay in the publications of a results announcement.

6. ACCEPTANCE OF OFFERS

An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than five (5) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Share Option Scheme has been terminated in accordance with the provisions of the Share Option Scheme. The amount payable by the Grantee to the Company on acceptance of the Offer is HK\$1.00.

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) The maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company which provide for the grant of options to acquire or subscribe for Shares must not exceed such number of Shares as shall represent 30 per cent (or, where applicable, such higher percentage as may from time to time be permitted under the Listing Rules or by the Stock Exchange) of the issued share capital of the Company from time to time. No Options may be granted under the Share Option Scheme if this will result in such limit being exceeded.
- (b) Subject to Paragraph 7(a) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10 per cent of the issued share capital of the Company as at the date of the approval of the Share Option Scheme by the Shareholders (the “**Scheme Mandate Limit**”) unless Shareholders’ approval has been obtained pursuant to paragraph (c) or (d) below. Any Options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (c) Subject to Paragraph 7(a) above, the Board may seek approval by Shareholders in general meeting to renew the Scheme Mandate Limit and the Company must send a circular to the Shareholders containing the information required under Rule 17.02(2) and the disclaimer required under Rule 17.02(4) of the Listing Rules. However, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company in these circumstances must not exceed 10 per cent of the issued share capital of the Company at the date of approval of the renewed limit (the “**renewed Scheme Mandate Limit**”). Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes of the Company and exercised options) will not be counted for the purpose of calculating the renewed Scheme Mandate Limit.
- (d) Subject to Paragraph 7(a) above, the Board may seek separate Shareholders’ approval in general meeting to grant Options beyond the Scheme Mandate Limit or the renewed Scheme Mandate Limit as referred to in paragraph (b) or (c) above (as the case may be) provided that the Options in excess of the Scheme Mandate Limit or the renewed Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing a generic description of the specified Eligible Participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

granting Options to such Eligible Participants with an explanation as to how the terms of the Options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

8. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant (including both exercised and outstanding Options under the Share Option Scheme) in any 12-month period must not exceed 1 per cent of the issued share capital of the Company. Where any further grant of Options to an Eligible Participant would result in excess of such limit shall be subject to the approval of the Shareholders at general meeting with such Eligible Participant and his associates abstaining from voting.

9. GRANTS OF OPTIONS TO CERTAIN CONNECTED PERSONS

- (a) Any grant of Options to a connected person of the Company or any of its associates must be approved by all of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).
- (b) Where Options are proposed to be granted to a substantial Shareholder or an independent non-executive Director or any of their respective associates, and the proposed grant of Options will result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1 per cent of the issued share capital of the Company and having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such grant of Options must be subject to the approval of the Shareholders taken on a poll at general meeting. The connected person involved in such proposed grant of Options and all other connected persons of the Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the Shareholders).

10. TIME OF EXERCISE OF OPTION

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Board may determine which shall not exceed ten years from the date of grant of the Option (the “**Option Period**”).

11. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt so to do.

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

12. RIGHTS ON CEASING EMPLOYMENT

In the event that the Grantee ceases to be an Eligible Participant for any reason other than his death or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in Paragraph 18(d) or his resignation, the Grantee may exercise the Option in accordance with the provisions of the Share Option Scheme up to his entitlement at the date of cessation (to the extent which has become exercisable but not already exercised) within the period of three (3) months following the date of such cessation (or such longer period as the Board may determine or, if any of the events referred to in Paragraphs 15, 16 and 17 occurs during such period, he may exercise the Option pursuant to Paragraphs 15, 16 and 17 within such period). The date of cessation as aforesaid shall be the last working day with the Company or the relevant subsidiary whether salary or compensation is paid in lieu of notice or not, or the last date of office or appointment as director, or the last date of appointment or engagement as consultant or advisor to the Company or the relevant subsidiary, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant subsidiary shall be conclusive.

13. RIGHTS ON DEATH

In the event that the Grantee (being an individual) ceases to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment, directorship, appointment or engagement under Paragraph 18(d) arises, the personal representative of the Grantee shall be entitled within a period of twelve (12) months after the date of death (or such longer period as the Board may determine or, if any of the events referred to in Paragraphs 15, 16 and 17 occurs during such period, his personal representative(s) may exercise the Option pursuant to Paragraphs 15, 16 and 17 within such period) to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent which has become exercisable but not already exercised)

14. RIGHT ON WINDING UP OF A GRANTEE

If a Grantee (being a corporation), commences winding up by whatever means, whether voluntarily or not; or suffers a change in its constitution, management, directors, shareholding or beneficial ownership which in the opinion of the Board is material, the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the Grantee or on the date of notification by the Company that the said change in constitution, management, directors, shareholding or beneficial shareholding is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

15. RIGHTS ON A GENERAL OFFER

If a general (or partial) offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

with the offeror), the terms of which have been approved by any relevant regulatory authority and are in accordance with applicable laws and regulatory requirements and becomes, or is declared unconditional prior to the expiry of the Option, the Company shall within seven days of such offer becoming or being declared unconditional give notice thereof to the Grantee, whereupon the Grantee (or his personal representative) shall be entitled to exercise the Option in full or in part in accordance with the terms of the Share Option Scheme (to the extent which has become exercisable but not already exercised) at any time within 14 days after the date of such notice and, to the extent any of the Options have not been so exercised, such Options shall upon the expiry of such period lapse.

16. RIGHTS ON WINDING UP

In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as it despatches such notice of the proposed general meeting to each Shareholder give notice thereof to the Grantee (or his/her personal representative), who may, by notice in writing to the Company (such notice to be received by the Company not later than five business days prior to the proposed general meeting) accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, exercise the Option (to the extent which has become exercisable but not already exercised) either to its full extent or to the extent specified in such notice and the Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise, credited as fully paid up and register the Grantee as holder thereof. Any Options shall, to the extent they have not been so exercised, lapse and determine.

17. RIGHT ON A COMPROMISE OR SCHEME OF ARRANGEMENT

If, pursuant to the Companies Act or other applicable law, a compromise or scheme of arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all Grantees (or to their personal representatives) on the same day as it gives notice to the members or creditors of the Company summoning a meeting to consider such a compromise or scheme of arrangement. Upon receipt of the notice, the Grantee may, during the period commencing on the date of the notice and ending on the earlier of the date two calendar months thereafter; and the date on which such compromise or arrangement is sanctioned by the court, exercise his Option (to the extent which has become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. The Company may require the Grantee to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

approved by such court) the rights of Grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

18. LAPSE OF OPTION

The right to exercise an Option shall lapse automatically (to the extent not already exercised) immediately upon the earliest of:–

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in Paragraphs 12, 13, 14, 15, 16 and 17;
- (c) subject to Paragraph 16, the date of the commencement of the winding-up of the Company;
- (d) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment or engagement of such Grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the Grantee with the Company or the relevant subsidiary for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant subsidiary;
- (e) the date on which the resignation of the Grantee is received by the Company or any of its subsidiaries (as the case may be); or
- (f) the date on which the Grantee commits a breach of Paragraph 11.

19. RANKING OF SHARES

The Shares to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

distributions declared, paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment.

20. REORGANISATION OF CAPITAL STRUCTURE

In the event of any capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, consolidation, subdivision or reduction of the share capital of the Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction in which the Company and/or any of its subsidiaries is a party), such corresponding adjustments (if any) shall be made to:–

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price;

or any combination thereof, as the auditors or an independent financial adviser to be appointed by the Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable, provided always that:–

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the Grantee shall have as nearly as possible the same proportion of the issued share capital of the Company to which the Grantee was entitled before such adjustments,

and in each case, any adjustment must be made in compliance with the Listing Rules and such rules, codes and guidance notes of the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, the auditors and the independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

21. ALTERATION TO THE SHARE OPTION SCHEME AND THE TERMS OF OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME

Subject to the Listing Rules, all provisions of the Share Option Scheme may be altered from time to time in any respect by a resolution of the Board save that the following alterations shall require the prior sanction of an ordinary resolution of the Company in general meeting (with all grantees, prospective grantees and their associates abstaining from voting and the votes taken by poll):–

- (a) alterations of the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants;

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

- (b) alterations of the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Options granted (except where the alterations take effect automatically under the existing terms of the Share Option Scheme); and
- (c) any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme,

provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the articles of association for the time being of the Company for a variation of the rights attached to the Shares. Any amended terms of the Share Option Scheme or Options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time).

Any change to the authority of the Directors or the administrators of the Share Option Scheme in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

22. CANCELLATION OF OPTIONS GRANTED

Subject to Paragraph 11, any cancellation of Options granted but not exercised shall be approved by the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the Share Option Scheme and the requirements of the Listing Rules and provided further that new Options may be issued to a Grantee in place of his cancelled Options only if there are available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit or the renewed Scheme Mandate Limit as referred to in Paragraph 7(b) and (c) above.

23. TERMINATION

The Board may, at any time terminate the operation of the Share Option Scheme and in such event no further Options shall be offered but the provisions of the Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised at the time of termination. Upon such termination, details of the Option granted, including Options exercised or outstanding shall be disclosed in the circular to Shareholders seeking approval of the first new scheme established.

APPENDIX PRINCIPAL TERMS OF THE SHARE OPTION SCHEME

24. CONDITIONS OF THE SHARE OPTIONS SCHEME

The Share Option Scheme shall take effect subject to:–

- (a) the passing of an ordinary resolution to approve the Share Option Scheme by the Shareholders in a general meeting and to authorise the Board to grant the Options hereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under the Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares to be issued by the Company pursuant to the exercise of the Options which may be granted under the Share Option Scheme.

NOTICE OF EXTRAORDINARY GENERAL MEETING



世紀陽光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Century Sunshine Ecological Technology Holdings Limited 世紀陽光生態科技控股有限公司 (the “**Company**”) will be held at Unit 3907, COSCO Tower, 183 Queen’s Road Central, Hong Kong on 3 December 2008 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass with or without amendments, the following resolutions as ordinary resolutions of the Company:–

1. “**THAT** conditional on the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the shares in the capital of the Company (the “**Shares**”) which may fall to be issued pursuant to the share option scheme (a copy of which is produced to the meeting marked “A” and signed by the Chairman of this meeting for the purpose of identification) (the “**Share Option Scheme**”), the Share Option Scheme be and is hereby approved and adopted by the Company and the directors of the Company be and are hereby authorized to grant options and to allot, issue and deal with the Shares pursuant to the exercise of any option granted thereunder and to take such steps and do such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme.”
2. “**THAT** SHINEWING (HK) CPA Limited be and is hereby appointed as auditors of the Company to fill the vacancy following the resignation of PricewaterhouseCoopers, and to hold office until the conclusion of the next annual general meeting of the Company and that the board of directors of the Company be authorized to fix their remuneration.”

* for identification purposes only

NOTICE OF EXTRAORDINARY GENERAL MEETING

SPECIAL RESOLUTION

To consider and, if thought fit, to pass with or without amendments, the following resolution as special resolution of the Company:—

3. “**THAT** subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands, the name of the Company be and is hereby changed from “Century Sunshine Ecological Technology Holdings Limited (世紀陽光生態科技控股有限公司)” to “Century Sunshine Group Holdings Limited (世紀陽光集團控股有限公司)”, and the directors of the Company be and are hereby authorised to do all things and sign or execute all documents on behalf of the Company which may in their opinion be necessary or desirable for the purpose of giving effect to the change of the name of the Company.”

By Order of the Board
Tang Ying Kit
Company Secretary

Hong Kong, 10 November 2008

Head office and Principal place of business:

Unit 3907, 39/F
COSCO Tower
183 Queen’s Road Central
Hong Kong

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder of the Company who is a holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company.
- (2) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting at the extraordinary general meeting or any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (4) Where there are joint registered holders of any Share(s), any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such Share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting or any adjourned meeting thereof (as the case may be), the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Directors are:—

Executive Directors:

*Mr. Chi Wen Fu, Mr. Shum Sai Chit and Professor
Zhou Xing Dun*

Non-executive Directors:

*Ms. Wong May Yuk, Mr. Wu Wen Jing, Benjamin
and Ms. Chi Bi Fen*

*Independent non-executive
Directors:*

*Mr. Kwong Ping Man and Mr. Chu Wai Wa,
Fangus*