
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Century Sunshine Ecological Technology Holdings Limited (the “Company”) you should at once hand this circular, together with the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the same or transfer was effected for transmission to the purchaser or transferee.

This circular should be read in conjunction with the accompanying annual report of the Company for the year ended 31 December 2003.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, 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 circular.



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: 8276

**GENERAL MANDATES TO ISSUE AND
TO REPURCHASE SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of posting.

A notice convening an annual general meeting of the Company to be held at Concord Room 2-3, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on 28 April 2004 at 3:00 p.m. or any adjournment thereof is set out on pages 10 to 16 of this circular. A form of proxy for use at the annual general meeting or any adjournment thereof of the Company is enclosed. Whether or not you propose to attend the annual general meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong share registrar, Tricor Investor Services Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

30 March 2004

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Proposed General Mandates to Issue and to Repurchase Shares	4
3. Proposed Amendments to the Articles of Association	4
4. AGM	5
5. Responsibility Statement	5
6. Recommendation	6
7. General	6
Appendix – Explanatory Statement	7
AGM Notice	10

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Concord Room 2-3, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on 28 April 2004 at 3:00 p.m. or any adjournment thereof;
“AGM Notice”	notice convening the AGM as set out on pages 10 to 16 of this circular;
“Articles of Association”	the articles of association of the Company;
“associates”	has the meaning ascribed thereto under the GEM Listing Rules;
“Board”	board of Directors or a duly authorised committee thereof for the time being;
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Company”	Century Sunshine Ecological Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM;
“Director(s)”	director(s) of the Company for the time being and from time to time;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“General Mandate”	the Share Issue Mandate and the Share Repurchase Mandate;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	25 March 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Ordinary Resolution(s)”	proposed ordinary resolution(s) as referred to in the AGM Notice;

DEFINITIONS

“Share(s)”	share(s) of HK\$0.10 (each) in the capital of the Company (or of such nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares equal in aggregate up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Share Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares of up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Special Resolution”	proposed special resolution as referred to in the AGM Notice;
“subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company and “subsidiaries” shall be construed accordingly;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



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)

Directors:

Executive Directors:

Chi Wen Fu (*Chairman*)

Shum Sai Chit

Zhou Xing Dun

Non-Executive Directors:

Zou Li

Wong May Yuk

Independent Non-Executive Directors:

Shen Yi Min

Cheung Sound Poon

Registered Office:

Century Yard, Cricket Square

Hutchins Drive

P.O. Box 2681GT

George Town

Grand Cayman

Cayman Islands

British West Indies

Head office and

principal place of business

Room 2807

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

30 March 2004

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO ISSUE
AND TO REPURCHASE SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the AGM Notice at which the necessary Ordinary Resolutions and Special Resolution will be proposed to consider and, if thought fit, to approve the grant of the General Mandates and the extension of the Share Issue Mandate to the Directors and the amendments to the Articles of Association.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

On 31 January 2004, the then sole Shareholder passed resolutions granting the Directors a general mandate to allot, issue or deal with additional Shares up to a maximum of 20% of the aggregate nominal amount of the issued Shares immediately following the listing of the Shares on GEM and a general mandate to repurchase on GEM up to 10% of the aggregate nominal amount of the issued Shares immediately following the listing of the Shares on GEM. The general mandate to allot, issue and deal with Shares was extended by an amount representing the aggregate nominal amount of the Shares so repurchased. Such mandates will expire at the conclusion of the AGM. It is therefore proposed that the Company will seek the approval of the Shareholders of the relevant resolutions proposed at the AGM in respect of the renewal of the respective general mandates to issue, allot and deal with Shares and to repurchase Shares.

At the AGM, Ordinary Resolutions will be proposed that the Directors be given the General Mandates. In addition, an Ordinary Resolution will also be proposed at the AGM providing that any Shares repurchased under the Share Repurchase Mandate (up to a maximum of 10% of the aggregate nominal amount of the issued Shares as at the date of the grant of the Share Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate.

Each of the General Mandates would continue in force until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles of Association to be held; or
- (c) the date on which any such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement as required under the GEM Listing Rules to be given to the Shareholders is set out in the Appendix to this circular. The information in the explanatory statement provides you with information reasonably necessary to enable you to make an informal decision on whether to vote for or against the resolution to grant the Directors the Share Repurchase Mandate.

3. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

On 30 January 2004, the Stock Exchange has announced that subject to certain transitional arrangement, the proposed amendments to the GEM Listing Rules relating to corporate governance issues will take effect on 31 March 2004. These corporate governance issues include, among other things, disclosure of information on proposed directors before election at general meeting and notices to be given in relation thereto, voting of members at general meeting and of directors at board meeting on any matter in which their respective associates have a material interest.

LETTER FROM THE BOARD

In order to bring the Articles of Association in line with the changes to be brought upon by the amendments to the GEM Listing Rules, the Directors propose to amend the Articles of Association accordingly.

The full text of the proposed amendments to the Articles of Association is set out in Special Resolution 5.

4. AGM

At the AGM, resolutions will be proposed to approve the following:

- (a) the granting of the Share Issue Mandate to the Directors;
- (b) the granting of the Share Repurchase Mandate to the Directors;
- (c) the extension of the Share Issue Mandate by adding to it the number of Shares repurchased under the Share Repurchase Mandate; and
- (d) the amendments to the Articles of Association.

A form of proxy is enclosed for your use at the AGM. You are requested to complete and return the form of proxy to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible, but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors believe that the grant of the Share Issue Mandate and the Share Repurchase Mandate, the extension of the Share Issue Mandate and the amendments to the Articles of Association are all in the best interests of the Company and the Shareholders and recommend you to vote in favour of the Ordinary Resolutions and the Special Resolution at the AGM. The Directors will exercise their voting rights in respect of all of their shareholdings (if any) in favour of the Ordinary Resolutions and the Special Resolution.

7. GENERAL

Your attention is also drawn to the Appendix to this circular.

Yours faithfully
For and on behalf of the Board
Chi Wen Fu
Chairman

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide certain information to you for your consideration of the Share Repurchase Mandate.

1. GEM LISTING RULES

The GEM Listing Rules permit companies with a primary listing on GEM to repurchase their equity securities subject to certain restrictions, the most important of which are summarised below.

2. SHAREHOLDERS' APPROVAL

All proposed repurchases of securities by a company with a primary listing on GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction.

3. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 320,000,000 Shares in issue.

Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 32,000,000 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company; the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles of Association to be held; or the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

4. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek the Share Repurchase Mandate from the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASES

Repurchases made pursuant to the Share Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and articles of association and the applicable laws and regulations of the Cayman Islands.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2003) in the event that the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

Dealings in Shares on GEM first commenced on 17 February 2004 (the “Listing Date”). The following table shows the highest and lowest prices at which the Shares have been traded on GEM during the period between the Listing Date and the Latest Practicable Date:

Month	Per Share	
	Highest trading price HK\$	Lowest trading price HK\$
2004		
February (from the Listing Date)	0.70	0.61
March (up to and including Latest Practicable Date)	0.65	0.58

7. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Share Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws and regulations of Hong Kong and the Cayman Islands.

The Company has not been notified by any connected person (as defined in the GEM Listing Rules) that such a person has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Share Repurchase Mandate is approved by the Shareholders.

If, as a result of a repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders’ interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following Shareholders are interested in 5% or more of the issued Shares as recorded in the register of interests in shares and short positions of the Company under Section 336(1) of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong):

Long Positions in Shares

Name	Number of Shares	Percentage of shareholding
Alpha Sino International Limited <i>(Note 1)</i>	193,696,970	60.53%
Go Modern Limited <i>(Note 2)</i>	30,303,030	9.47%
Qi Yuan Asset Management (H.K.) Ltd.	19,295,000	6.03%

Notes:

1. The entire issued share capital of Alpha Sino International Limited is beneficially owned as to 80% and 20% by Mr. Chi Wen Fu and Ms. Zou Li respectively. Mr. Chi Wen Fu is an executive Director and Ms. Zou Li is a non-executive Director.
2. The entire issued share capital of Go Modern Limited is beneficially owned as to 50% each by Mr. Shum Sai Chit and Ms. Wong May Yuk. Mr. Shum Sai Chit is an executive Director and Ms. Wong May Yuk is a non-executive Director.

In the event that the Directors exercise the Share Repurchase Mandate in full, the percentages of shareholdings of Alpha Sino International Limited, Go Modern Limited and Qi Yuan Asset Management (H.K.) Ltd. would be increased to 67.26%, 10.52% and 6.7%, respectively.

Currently, the Directors have no intention to exercise the Share Repurchase Mandate to the extent that it will trigger the obligation under Rule 26 of the Takeovers Code to make a mandatory offer nor to such extent as to reduce the amount of Shares held by the public to less than 25%.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made under the Share Repurchase Mandate.

No Shares have been repurchased by the Company, whether on GEM or otherwise, in the last six months preceding the date of this circular.

AGM NOTICE



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)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Century Sunshine Ecological Technology Holdings Limited (the “Company”) will be held at Concord Room 2-3, 8/F, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on 28 April 2004 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited accounts of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2003.
2. To re-elect retiring directors of the Company (individually, a “Director” and collectively, the “Directors”) and authorise the board of Directors (the “Board”) to fix the Directors’ remuneration.
3. To appoint auditors of the Company and authorise the Board to fix their remuneration.
4. To consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

(a) **“THAT:**

- (i) subject to paragraph (iii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (the “Share”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise), by the Directors pursuant to the approval in paragraph (i) of this Resolution, otherwise than pursuant to (aa) a Rights Issue (as defined below): or (bb) the exercise of any option granted under

AGM NOTICE

any scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of rights to acquire Shares; or (cc) any script dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”), shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(iv) for the purposes of this Resolution:

(aa) “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(A) the conclusion of the next annual general meeting of the Company;

(B) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or

(C) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “Shareholders”) in general meeting.

(bb) “Rights Issue” means an offer of Shares or other securities of the Company open for a period fixed by the Directors to holders of Shares or any class of securities of the Company on the register of members on a fixed record date in proportion to their then holdings of such Shares or class of securities of the Company (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

(b) “**THAT**:

(i) subject to paragraph (ii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (“GEM”) or any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws of the Cayman Islands and the requirements of the Rules Governing the Listing of Securities on GEM or other regulations as amended from time to time, be and is hereby generally and unconditional approved;

AGM NOTICE

(ii) the aggregate nominal amount of share capital of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (i) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and

(iii) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(aa) the conclusion of the next annual general meeting of the Company;

(bb) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or

(cc) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

(c) “**THAT** conditional upon Resolution 4(a) and Resolution 4(b) as set out in the notice of the annual general meeting of the Company dated 30 March, 2004 (the “AGM Notice”) being passed, the aggregate nominal amount of the share capital of the Company which are repurchased by Company under the authority granted pursuant to Resolution 4(b) as set out in the AGM Notice (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Resolution 4(b) as set out in the AGM Notice) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 4(a) as set out in the AGM Notice.”

5. As special business, to consider and, if thought fit, to pass with or without modification the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the existing Articles of Association be amended in the following manner:

(a) by inserting the following new definition of “associate” in Article 2:

“associate” the meaning attributed to it in the rules of the Designated Stock Exchange.”;

(b) by re-numbering existing Article 76 as Article 76(1);

AGM NOTICE

- (c) by inserting the following as new Article 76(2):

“(2) Where any Member is, under the rules of the Designated Stock Exchange, 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.”;

- (d) by deleting the words “not less than seven (7) clear days but not more than fourteen (14) clear days before the date of the general meeting” in the last sentence of Article 88 and replacing therewith the following proviso:

“provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that the period for lodgment of such Notice(s) shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”; and

- (e) by deleting the existing Article 103 in its entirety and replacing therewith the following new Article 103:

“103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement 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

AGM NOTICE

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;

- (iv) 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 or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;
 - (v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or
 - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders 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 (or of any third company through which his/their interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and

AGM NOTICE

any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) 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 and/or his associate(s) concerned 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 as known to such chairman has not been fairly disclosed to the Board.

and that any Director be authorised to take such further action as he/she may in his/her sole and absolute discretion thinks fit and for and on behalf of the Company to implement the aforesaid amendments to the existing Articles of Association.”

By Order of the Board
Century Sunshine Ecological Technology Holdings Limited
Tang Ying Kit
Company Secretary

Hong Kong, 30 March 2004

Principal place of business in Hong Kong
Room 2807, China Resources Building
26 Harbour Road
Wanchai
Hong Kong

AGM NOTICE

Notes:

- (1) A form of proxy for use at the annual general meeting of the Company or any adjournment thereof is enclosed.
- (2) Any member entitled to attend and vote at the annual general meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the annual general meeting of the Company. A proxy need not be a member of the Company.
- (3) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the 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 Hong Kong share registrar, Tricor Investor Services Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the annual general meeting of the Company or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.
- (4) In the case of joint holders of any Share, any one of such joint holders may vote at the annual general meeting of the Company, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting in person or by proxy, then one of the said persons to present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- (5) An explanatory statement regarding the general mandate for the repurchase of Shares sought in Resolution 4(b) (as set out in the AGM Notice) is set out in the appendix to the circular of the Company dated 30 March 2004 of which this notice forms part.