

---

## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

The Hong Kong Exchanges and Clearing Limited and Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



### **CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED**

**中國陽光紙業控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2002)**

### **GRANT OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE, AMENDMENTS TO ARTICLES, ELECTION AND RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting ("AGM") of China Sunshine Paper Holdings Company Limited ("Company") to be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang 262400, Shandong, China on 26 May 2009 at 10:00 a.m. is set out on pages 16 to 26 of this circular. Resolutions will be proposed at the AGM to consider and, if thought fit, approve, among other things, the grant of the Issue Mandate and the Repurchase Mandate and the election and re-election of Directors by way of ordinary resolutions, as well as the amendment of Articles by way of a special resolution.

A form of proxy is enclosed with this circular. Whether or not you are intending to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, 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 the proxy form will not preclude you from subsequently attending and voting at the AGM in person or any adjourned meeting (as the case may be) should you so desire.

---

## CONTENTS

---

	<i>Page</i>
<b>Responsibility statement</b> .....	ii
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
<b>Appendix I — Explanatory statement for the Repurchase Mandate</b> .....	7
<b>Appendix II — Particulars of Directors to be elected and re-elected at the AGM</b> .....	13
<b>Notice of AGM</b> .....	16

---

## RESPONSIBILITY STATEMENT

---

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.

---

## DEFINITIONS

---

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

“2008 Annual Report”	the annual report of the Company for the financial year ended 31 December 2008 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be convened and held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang 262400, Shandong, China on 26 May 2009 at 10:00 a.m. or any adjournment thereof, the notice of which is set out on pages 16 to 26 of this circular
“Articles”	the articles of association of the Company
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	China Sunshine Paper Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution approving the same
“Latest Practicable Date”	20 April 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Date”	12 December 2007, the date on which dealings in the Shares on the Stock Exchange commenced
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

---

## DEFINITIONS

---

“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme of the Company adopted on 19 November 2007, under which no further options will be granted as from the Listing Date
“PRC”	The People’s Republic of China and for the purpose of this circular, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus of the Company dated 29 November 2007
“Repurchase Mandate”	a general and unconditional mandate to the Directors to repurchase the fully paid up Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of an ordinary resolution approving the same
“RMB”	Renmibi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 19 November 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

---

## LETTER FROM THE BOARD

---



### CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2002)

*Executive Directors:*

Mr. Wang Dongxing (*Chairman*)  
Mr. Shi Weixin  
Mr. Zhang Zengguo  
Mr. Wang Yilong

*Non-executive Directors:*

Mr. Xu Fang  
Mr. Wang Nengguang

*Independent non-executive Directors:*

Ms. Wong Wing Yee, Jessie  
Mr. Wang Zefeng  
Mr. Xu Ye

*Registered office:*

Cricket Square, Hutchins Drive  
PO Box 2681, Grand Cayman KY1-1111  
Cayman Islands

*Head office and principal place of business  
in the PRC:*

Changle Economic Development Zone  
Weifang 262400  
Shandong  
China

*Principal place of business in Hong Kong:*

43rd Floor, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

24 April 2009

*To the Shareholders and, for information only,  
the holders of share options of the Company,*

Dear Sir or Madam,

### **GRANT OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE, AMENDMENTS TO ARTICLES, ELECTION AND RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

\* For identification purposes only

---

## LETTER FROM THE BOARD

---

At the AGM, resolutions will be proposed for the Shareholders to approve, among other things, (i) the grant of the Repurchase Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors; (iii) the amendments to the Articles; and (iv) the proposed election of a new Director and the re-election of retiring Directors.

### THE REPURCHASE MANDATE

At the Company's last annual general meeting held on 8 May 2008, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM to grant the Repurchase Mandate to the Directors. As at the Latest Practicable Date, the Company has an issued share capital of HK\$40,104,400 divided into 401,044,000 Shares of HK\$0.10 each. Subject to the passing of an ordinary resolution approving the Repurchase Mandate and on the basis that none of the outstanding share options is exercised and no further Shares will be issued or allotted by the Company prior to the AGM, exercise of the Repurchase Mandate in full would result in up to a maximum of 40,104,400 Shares, representing 10% of the total number of Shares in issue and a share capital of HK\$4,010,440, being repurchased by the Company. An explanatory statement as required under the Listing Rules to provide the requisite information of the Repurchase Mandate is set out in Appendix I to this Circular.

### ISSUE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate in order to provide flexibility and discretion to the Directors to issue new Shares. As at the Latest Practicable Date, the Company has an issued share capital of HK\$40,104,400 divided into 401,044,000 Shares of HK\$0.10 each. Subject to the passing of an ordinary resolution approving the Issue Mandate and on the basis that no further Shares will be issued or allotted by the Company prior to the AGM, the exercise of the Issue Mandate in full would result in up to a maximum of 80,208,800 Shares, representing 20% of the total number of Shares in issue and a share capital of HK\$8,020,880, being issued by the Company during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company. In addition, an ordinary resolution will also be proposed to extend the Issue Mandate by adding to it the number of such Shares repurchased under the Repurchase Mandate.

### AMENDMENTS TO THE ARTICLES

Effective from 1 January 2009, various provisions of the Listing Rules relating to, among other things, the use of websites for communication with Shareholders, voting at general meetings and notice of general meetings have been amended. To align the provisions of the Articles with the requirements of the Listing Rules, a special resolution will be proposed at the AGM to amend the Articles to the effect that:

- (a) at least 20 clear business days' notice shall be given in respect of annual general meeting of the Company and at least 10 clear business days' notice shall be given in respect of extraordinary general meeting of the Company; and
- (b) all resolutions at general meetings of the Company shall be voted by poll.

Please refer to the full text of the special resolution for details of the proposed amendments to the Articles as set out in the notice of the AGM.

---

## LETTER FROM THE BOARD

---

### ELECTION AND RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Zhang Zengguo and Mr. Wang Yilong, the non-executive Directors were Mr. Xu Fang and Mr. Wang Nengguang and the independent non-executive Directors were Ms. Wong Wing Yee, Jessie, Mr. Wang Zefeng and Mr. Xu Ye.

Pursuant to Article 87(1) of the Articles, Mr. Wang Yilong, Mr. Wang Nengguang and Mr. Xu Ye shall retire from office at the AGM. Mr. Wang Yilong and Mr. Xu Ye, being eligible, will offer themselves for re-election. Mr. Wang Nengguang will not offer himself for re-election. The Board proposed to elect Mr. Wang Junfeng as a non-executive Director in place of Mr. Wang Nengguang.

Details of the Directors proposed to be elected and re-elected at the AGM are set out in Appendix II to this circular.

### AGM

A notice convening the AGM to be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang 262400, Shandong, China on 26 May 2009 at 10:00 a.m., is set out on pages 16 to 26 of this circular.

### ACTIONS TO BE TAKEN

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Such form of proxy for use at the AGM is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). Completion and return of the proxy form will not preclude you from subsequently attending and voting at the AGM in person or any adjourned meeting (as the case may be) should you so desire.

### VOTING BY POLL AT THE AGM

Pursuant to the existing Article 66 of the Articles, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the Shareholders present in person or by a duly authorised corporate representative unless a poll is duly demanded or otherwise required by the rules of the Stock Exchange. A poll may be demanded (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) by:

- (i) the chairman of the meeting; or
- (ii) at least 3 Shareholders present in person or, if the Shareholder is a corporation, by a duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) any Shareholder or Shareholders present in person, if the Shareholder is a corporation, by a duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or



---

## LETTER FROM THE BOARD

---

- (iv) any Shareholder or Shareholders present in person, if the Shareholder is a corporation, by a duly authorised representative or by proxy and holding the Shares in the Company conferring a right to vote at the meeting being the Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or
- (v) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at such meeting.

However, since effective from 1 January 2009, pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at all general meetings of the Company must be taken by poll, the chairman of the AGM will demand a poll for every resolution put to the vote at the AGM.

### RECOMMENDATION

At the AGM, resolutions will be proposed for the Shareholders to approve, among other things, (i) the grant of the Repurchase Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors; (iii) the amendment of the Articles; and (iv) the proposed election of a new Director and the re-election of retiring Directors.

The Directors consider that (i) the grant of the Repurchase Mandate to the Directors; (ii) the grant of Issue Mandate to the Directors; (iii) the amendments to the Articles; and (iv) the proposed election of new Director and the re-election of retiring Directors are in the best interests of the Company, the Group and the Shareholders as a whole and accordingly recommend all Shareholders to vote in favour of the corresponding resolutions to be proposed at the AGM respectively.

### DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company in Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM:

- (i) the memorandum of association of the Company and the Articles; and
- (ii) this circular.

Yours faithfully,  
For and on behalf of  
**China Sunshine Paper Holdings Company Limited**  
**Wang Dongxing**  
*Chairman*

*This appendix serves as an explanatory statement as required under the Listing Rules to provide the requisite information to you for consideration of the Repurchase Mandate.*

**Share capital**

As at the Latest Practicable Date, the Company had 401,044,000 Shares in issue or an issued share capital of HK\$40,104,400. As at the Latest Practicable Date, there were outstanding share options granted under the Pre-IPO Share Option Scheme entitling the holders thereof to subscribe for an aggregate of 11,520,000 Shares respectively.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and on the basis that none of the outstanding share options is exercised and no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to a maximum of 40,104,400 Shares, representing 10% of the total number of Shares in issue and a share capital of HK\$4,010,440 being repurchased by the Company during the period ending on the earlier of: (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law; or (iii) the date upon which the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

**Reasons for repurchase**

Although the Directors have no present intention of exercising the Repurchase Mandate, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders as a whole. At any time in the future when the Shares are trading at a discount to their underlying value, the ability of the Company to repurchase the Shares will be beneficial to the Shareholders who retain their investment in the Company as their percentage interest in the assets of the Company would increase in proportion to the number of Shares repurchased by the Company from time to time and thereby resulting in an increase in net assets and/or earnings per share of the Company. Such repurchases will only be made when the Directors believe that such exercises will benefit the Company and the Shareholders as a whole.

**Funding of repurchase**

The Directors propose that the repurchase of Shares under the Repurchase Mandate would be financed from the Company's internal resources.

In repurchasing the Shares, the Company may only apply funds legally available for such purposes in accordance with the memorandum of association and the Articles and the applicable laws of the Cayman Islands. Under the laws of the Cayman Islands, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of the Company's profits or share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of the Company's capital.

The exercise of the Repurchase Mandate in full will not have a material adverse impact on the working capital or the gearing level of the Company (as compared with the position disclosed in the latest published audited consolidated financial statements of the Group contained in the 2008 Annual Report).

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing level of the Company (as compared with the position disclosed in the latest published audited consolidated financial statements of the Group contained in the 2008 Annual Report) which in the opinion of the Directors are from time to time appropriate for the Company. The number of the Shares to be repurchased on any occasion and the price and other terms upon which the same are purchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

### Share prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
<b>2008</b>		
April	4.10	3.46
May	4.13	3.85
June	4.05	2.98
July	3.07	2.60
August	2.77	2.20
September	2.77	1.90
October	2.35	0.90
November	1.15	0.70
December	1.22	0.78
<b>2009</b>		
January	1.22	0.94
February	1.25	0.99
March	1.07	0.89
April (up to the Latest Practicable Date)	1.36	0.96

### Disclosure of interests

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

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries (as defined in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)).

No connected person has notified the Company that he/she has a present intention to sell any Shares to the Company nor has undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

**Takeovers Code**

If, as a result of share repurchase by a company, a Shareholder's proportionate interest in the voting rights of the company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, as far as the Directors are aware, substantial Shareholders of the Company having a interests in 5% or more in the issued share capital of the Company are as follows:

Name	Notes	Number of Shares interested	Number of Shares interested under equity derivatives	Nature of interest	Total number of Shares	Percentage of the Company's issued share capital
Chen Xiaojun	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Guo Jianlin	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Hu Gang	1	175,843,026		Interests of a party to an agreement to acquire interests in the Company	173,744,026	43.85
Li Hua	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Li Zhongzhu	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Lu Yujie	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Ma Aiping	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Sang Yonghua	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Sang Ziqian	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Shi Weixin	1	175,843,526	1,600,000	Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Sun Qingtao	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Wang Changhai	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Wang Dongxing	1	175,843,526	1,600,000	Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Wang Feng	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Wang Yilong	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85

# APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

Name	Notes	Number of Shares interested	Number of Shares interested under equity derivatives	Nature of interest	Total number of Shares	Percentage of the Company's issued share capital
Wang Yongqing	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Wu Rong	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Zhang Zengguo	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Zheng Fasheng	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
Zuo Xiwei	1	175,843,526		Interests of a party to an agreement to acquire interests in the Company	175,843,526	43.85
China Sunrise Paper Holdings Limited	2	172,643,526		Beneficial Owner	172,643,526	43.05
China Sunshine Paper Investments Limited	2	172,643,526		Interest of a controlled corporation	172,643,526	43.05
Chinese Academy of Sciences Holdings Co., Ltd.	3, 4	45,273,837		Interest of a controlled corporation	45,273,837	11.29
Employees' Shareholding Society of Legend Holdings Ltd	4	45,273,837		Interest of a controlled corporation	45,273,837	11.29
Legend Holdings Limited	5	45,273,837		Interest of a controlled corporation	45,273,837	11.29
Right Lane Limited	6	45,273,837		Interest of a controlled corporation	45,273,837	11.29
LC Fund III GP Limited	7	45,273,837		Interest of a controlled corporation	45,273,837	11.29
LC Fund III, L.P.	8	45,273,837		Interest of a controlled corporation	45,273,837	11.29
Good Rise Holdings Limited	9	45,273,837		Beneficial Owner	45,273,837	11.29
Wang Nengguang	10	45,273,837		Interest of a controlled corporation	45,273,837	11.29
China Everbright Limited	11	43,915,622		Interest of a controlled corporation	43,915,622	10.95
Seagate Global Advisors, LLC	11	43,915,622		Interest of a controlled corporation	43,915,622	10.95
Seabright Asset Management Limited	12	43,915,622		Interest of a controlled corporation	43,915,622	10.95
Seabright China Special Opportunities (I) Limited	13	43,915,622		Interest of a controlled corporation	43,915,622	10.95
Seabright SOF (I) Paper Limited	14	43,915,622		Beneficial owner	43,915,622	10.95
Deutsche Bank Aktiengesellschaft	15	34,293,800		Beneficial owner	34,293,800	8.55
Deutsche Bank Aktiengesellschaft	15	10,408,500		Security interest in shares	10,408,500	2.6

*Notes:*

1. The following individuals, namely, Chen Xiaojun, Guo Jianlin, Hu Gang, Li Hua, Li Zhongzhu, Lu Yujie, Ma Aiping, Sang Yonghua, Sang Ziqian, Shi Weixin, Sun Qingtao, Wang Changhai, Wang Dongxing, Wang Feng, Wang Yilong, Wang Yongqing, Wu Rong, Zhang Zengguo, Zheng Fasheng and Zuo Xiwei (collectively “the Controlling Shareholder Group”) are the only shareholders of China Sunshine Paper Investments Limited (“China Sunshine”), the ultimate controlling shareholder of the Company. Pursuant to an agreement (“Concert Parties Agreement”) dated 16 June 2006 (as amended by a supplemental agreement dated 19 November 2007) and entered into among the members of the Controlling Shareholder Group, each member confirmed, among other things, since he/she became interested in and possessed voting rights in China Sunshine, China Sunrise Paper Holdings Limited (“China Sunrise”) and any members of the Group (“Target Entities”) and participated in the management of the business of the Target Entities, each of them has been actively cooperating with each other and was acting in concert (for the purpose of the Takeovers Code), with an aim to achieve consensus and concerted action on all major affairs relating to the business of the Target Entities. In addition, each of them also agreed to keep the other group members informed of their direct or indirect interest in the Target Entities or changes thereof, so as to ensure due and prompt compliance of all applicable laws and regulations on disclosure of securities interests by shareholders. Each member in the Controlling Shareholder Group are interested in the same 175,843,526 Shares, comprising of 172,643,526 Shares held by China Sunrise and pre-IPO options to subscribe 1,600,000 Shares granted to each of Wang Dongxing and Shi Weixin.
2. China Sunrise is interested in 172,643,526 Shares. China Sunrise is wholly owned by China Sunshine, and accordingly China Sunshine is deemed to be interested in the 172,643,526 Shares held by China Sunrise.
3. The Chinese Academy of Science Holding Co., Ltd. is a state owned enterprise.
4. Each of the Employees’ Shareholding Society of Legend Holdings Limited and the Chinese Academy of Sciences Holdings Co., Ltd. controls more than one third of the voting rights of Right Lane Limited. Accordingly, each of the Employees’ Shareholding Society of Legend Holdings Limited and the Chinese Academy of Sciences Holding Co., Ltd. is deemed to be interested in the 45,273,837 Shares held by Good Rise Holdings Limited (“Good Rise”) as set out in Notes 5, 6, 7, 8 and 9.
5. As Right Lane Limited is wholly-owned by Legend Holdings Limited, Legend Holdings Limited is deemed to be interested in the 45,273,837 Shares held by Good Rise as set out in Notes 6, 7, 8 and 9.
6. As Right Lane Limited controls more than one third of the voting rights of LC Fund III GP Limited, it is deemed to be interested in the 45,273,837 Shares held by Good Rise as set out in Notes 7, 8 and 9.
7. As LC Fund III GP Limited is the general partner of LC Fund III, it is deemed to be interested in the 45,273,837 Shares held by Good Rise as set out in Notes 8 and 9.
8. As Good Rise is wholly-owned by LC Fund III, LP, it is deemed to be interested in the 45,273,837 Shares held by Good Rise as set out in Note 9.
9. Good Rise is interested in 45,273,837 Shares.
10. As Good Rise is controlled by Wang Nenguang, he is deemed to be interested in the 45,273,837 Shares as set out in Note 9.
11. Each of China Everbright Limited and the Seagate Global Advisors, LLC controls more than one third of the voting rights of Seabright Asset Management Limited. Accordingly, each of China Everbright Limited and Seagate Global Advisors, LLC is deemed to be interested in the 43,915,622 Shares held by Seabright SOF (I) Paper Limited (“SOF (I) Paper”) as set out in Notes 12, 13 and 14.
12. As Seabright Asset Management Limited controls more than one third of the voting rights of SOF(I), it is deemed to be interested in the 43,915,622 Shares held by SOF(I) Paper as set out in Notes 13 and 14.
13. Seabright China Special Opportunities (I) Limited (“SOF (I)”) owns the entire interest in SOF (I) Paper. Accordingly, SOF (I) is deemed to be interested in the 43,915,622 Shares held by SOF (I) Paper as set out in Note 14.
14. SOF (I) Paper is interested in 43,915,622 Shares.
15. Deutsche Bank Aktiengesellschaft beneficially holds 34,293,800 Shares and has a security interest in another 10,408,500 Shares.

Each of the members in the Controlling Shareholder Group is interested in the same 175,843,526 Shares, representing approximately 43.81% of the issued share capital of the Company.

In the event that the Directors should exercise the Repurchase Mandate in full to repurchase Shares, the aggregate shareholding of the Controlling Shareholder Group will be increased to approximately 48.68% of the of the issued share capital of the Company, resulting in an obligation on the part of the above-mentioned Controlling Shareholder Group to make a general offer under the Takeovers Code. However, the Directors have no present intention to exercise the Repurchase Mandate to the extent that the obligation to make a general offer on the part of the above-mentioned substantial Shareholders will be triggered.

Assuming that there is no further issue of the Shares between the Latest Practicable Date and the date of repurchase, the exercise of the Repurchase Mandate in full will result in less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. However, the Directors have no present intention to exercise the Repurchase Mandate to the extent that less than 25% of the issued share capital of the Company will be held by the public.

### Shares repurchased by the Company

During the period from 1 October 2008 up to the Latest Practicable Date, the Company made the following purchases of its own Shares on the Stock Exchange:

Date of repurchase (DD/MM/YY)	Number of Shares repurchased	Consideration per Share		Aggregate consideration paid HK\$
		Highest HK\$	Lowest HK\$	
02/10/08	170,000	2.30	2.15	379,940
03/10/08	24,500	2.27	2.27	55,615
06/10/08	112,500	2.29	2.10	253,935
08/10/08	500	2.04	2.04	1,020
09/10/08	515,500	2.20	1.89	1,109,975
10/10/08	1,291,500	2.08	1.86	2,678,750
13/10/08	234,000	2.08	2.00	481,200
15/10/08	1,030,500	2.05	1.87	2,107,875
17/10/08	156,000	1.65	1.62	257,280
20/10/08	81,000	1.95	1.62	139,495
21/10/08	1,396,000	1.93	1.93	2,694,280
22/10/08	60,000	1.75	1.75	105,000
23/10/08	99,500	1.61	1.42	154,625
24/10/08	295,500	1.32	1.24	378,100
<b>Total</b>	<b>5,467,000</b>			<b>10,797,090</b>

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period from 1 October 2008 to the Latest Practicable Date.

*New Director proposed to be elected***Mr. Wang Junfeng (王俊峰)**

Mr. Wang Junfeng, aged 35, is proposed to be elected as a non-executive Director. Mr. Wang obtained a Bachelor degree majoring in Chemistry in Lanzhou University (蘭州大學) in 1995 and a Master degree majoring in finance from the McMaster University of Canada in 2004. He is currently the executive director of Legend Capital Management Limited (聯想投資有限公司) and is responsible for investment management. Prior to joining Legend Capital Management Limited in 2004, Mr. Wang worked in Lenovo Group Limited (聯想集團有限公司) between 1997 and 2001 and in Beijing Building Material Group (北京金隅集團) between 1995 and 1997.

*Length of service*

Pursuant to the service agreement proposed to be entered into between Mr. Wang and the Company, the appointment of Mr. Wang will be for an initial fixed term commencing from the date of his election at the AGM up to 11 December 2010.

*Relationship with other Directors, senior management or substantial or controlling Shareholders of the Company*

Other than Mr. Wang's position in Legend Capital Management Limited, which is the investment manager of LC Fund III, L.P., which in turn holds the entire interest of Good Rise, a substantial Shareholder, as set out above, Mr. Wang does not have any relationship with any Director, senior management, substantial or controlling Shareholders (as defined under the Listing Rules) of the Company.

*Interests in shares*

As at the Latest Practicable Date, Mr. Wang does not have any interest in Shares for the purposes of the SFO.

*Amount of emolument*

The emolument proposed to be payable to Mr. Wang is RMB50,000 per year and may, subject to the discretion of the Directors, be reviewed.

*Other information*

Mr. Wang has no information to be disclosed pursuant to (h) to (w) of Rule 13.51(2) of the Listing Rules and save as disclosed above, there are no other matters that need to be brought to the attention of Shareholders.



*Retiring Directors subject to re-election***Mr. Wang Yilong (王益瓏)**

Mr. Wang Yilong, aged 46, is an executive Director of the Group and is responsible for facilities management. Mr. Wang has been with the Group since the establishment of Changle Sunshine in 2000. He graduated from Tongji University (同濟大學) in 1985, with a major in electronic automation. He is also the deputy general manager of the Shanghai Institute (上海造紙機械電控技術研究所) since 1993, with the responsibility of marketing, sales and production. He was the technical director of the Shanghai Rectifier General Factory (上海整流器總廠) from 1985 to 1992, and was responsible for the design of products and sales.

*Length of service*

Pursuant to the existing service agreement between Mr. Wang and the Company, the appointment of Mr. Wang was for an initial fixed term of 3 years commencing from 12 December 2007.

*Relationship with other Directors, senior management, or substantial or controlling Shareholders of the Company*

Except that he is one of the members of the Controlling Shareholder Group, Mr. Wang does not have any relationship with any Director, senior management, substantial or controlling Shareholders (as defined under the Listing Rules) of the Company.

*Interests in shares*

As at the Latest Practicable Date, Mr. Wang is interested in 175,843,526 Shares for the purposes of the SFO.

*Amount of emoluments*

The current Director's fee and annual bonus and allowance (other than discretionary bonus) payable to Mr. Wang is RMB30,000 and Nil per year, respectively, and may, subject to the discretion of the Directors, be reviewed. The remuneration package of Mr. Wang is determined by reference to his duty and experience and the prevailing market rate.

*Other information*

Mr. Wang has no information to be disclosed pursuant to (h) to (w) of Rule 13.51(2) of the Listing Rules and save as disclosed above, there are no other matters that need to be brought to the attention of Shareholders.

**Mr. Xu Ye (徐燁)**

Mr. Xu Ye, aged 36, is an independent non-executive Director. Mr. Xu joined the Group in 2007. Mr. Xu founded Star Link Investments Holdings Ltd. (“Star Link Investments”) in 2005 and is currently its managing partner. Star Link Investments specializes in investments, merger and acquisition advisory, and business consulting services. Previously, Mr. Xu had significant professional experiences with international investment banks including Lehman Brothers International from 2000 to 2001, Banque Paribas in 1998, and L.E.K. Consulting, a prestigious multinational consultancy focusing on corporate strategy, from 2001 to 2002. He also worked as the chief financial officer of Novanat Bio-Resources Inc. from 2003-2004. Mr. Xu received his MBA from the Wharton School of the University of Pennsylvania in 1999, and his Bachelor of Arts and Bachelor of Science degrees from the Shanghai International Studies University and the Shanghai University of Finance and Economics in 1994, respectively.

*Length of service*

Pursuant to the existing service agreement between Mr. Xu and the Company, the appointment of Mr. Xu was for an initial fixed term of 3 years commencing from 12 December 2007.

*Relationship with other Directors, senior management, substantial or controlling Shareholders of the Company*

Mr. Xu does not have any relationship with any Director, senior management, substantial or controlling Shareholders (as defined under the Listing Rules) of the Company.

*Interests in shares*

As at the Latest Practicable Date, Mr. Xu does not have any interest in Shares for the purposes of the SFO.

*Amount of emoluments*

The current emolument payable to Mr. Xu is RMB50,000 per year and may, subject to the discretion of the Directors, be reviewed.

*Other information*

Mr. Xu has no information to be disclosed pursuant to (h) to (w) of Rule 13.51(2) of the Listing Rules and save as disclosed above, there are no other matters that need to be brought to the attention of Shareholders.

---

## NOTICE OF AGM

---

*The Hong Kong Exchanges and Clearing Limited and Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



### CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2002)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“**Meeting**”) of China Sunshine Paper Holdings Company Limited (the “**Company**”) will be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang 262400, Shandong, China on 26 May 2009 at 10:00 a.m. for the following purposes:

#### **As Ordinary Business**

#### **ORDINARY RESOLUTIONS**

1. To receive and consider the audited financial statements and the reports of the directors (“**Directors**”) and the auditors (“**Auditors**”) of the Company for the year ended 31 December 2008.
2. To declare a final dividend of RMB3.2 cents (equivalent to approximately HK\$3.6 cents) per share of the Company for the year ended 31 December 2008.
3. To elect a new Director and re-elect two retiring Directors and to authorise the board of Directors (“**Board**”) to fix the remuneration of the Directors.
4. To re-appoint the Auditors and to authorise the Board to fix their remuneration.

#### **As Special Business**

#### **ORDINARY RESOLUTIONS**

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares of HK\$0.10 each in the capital of the Company subject to and in accordance with all

\* For identification purposes only

---

## NOTICE OF AGM

---

applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) or of any other stock exchange as amended from time to time and the manner of any such repurchase be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the shares of the Company which are authorised to be repurchased by the Directors pursuant to the approval in paragraph (a) above 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
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by laws or the Company’s articles of association to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the share option scheme of the Company approved by the Stock Exchange; or (iii) any scrip dividend or similar arrangement

---

## NOTICE OF AGM

---

providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

**“Relevant Period”** shall have the same meaning as that ascribed to it under resolution no. 5 as set out in the notice convening the Meeting; and

**“Rights Issue”** means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT** conditional upon the passing of resolutions nos. 5 and 6 as set out in the notice convening the Meeting, the general mandate granted to the Directors pursuant to resolution no. 6 as set out in the notice convening the Meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 as set out in the notice convening the Meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

### SPECIAL RESOLUTION

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

**“THAT** the articles of association the Company (“Articles”) be amended in the following manner:

**(a) Article 2(1)**

- (i) by inserting the following definition after the definition of “Board” or “Directors”:

““business day”	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.”
-----------------	---

## NOTICE OF AGM

- (ii) the definition of “capital” be amended by deleting the words “from time to time” after the words “share capital”; and by inserting the words “from time to time” after the words “the Company”, so that the definition of “capital” as amended will read:

““capital”                      the share capital of the Company from time to time.”

- (iii) the definition of “ordinary resolution” be amended by deleting the words and punctuation “not less than fourteen (14) clear days’ ” after the words “meeting of which” in the sixth line; and by inserting the words “in accordance with Article 59” after the words “duly given” in the last line, so that the definition of “ordinary resolution” as amended will read:

““ordinary resolution” a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.”

- (iv) the definition of “special resolution” be amended by deleting the words and punctuation “not less than twenty one (21) clear days’ Notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty one (21) clear days’ ” after the words “meeting of which” in the seventh line; and by inserting the words “in accordance with Article 59” after the words “been given” in the twenty-first line, so that the definition of “special resolution” as amended will read:

““special resolution” a resolution shall be a special resolution when it has been passed by a majority of not less than three fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been given in accordance with Article 59;

a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.”

---

## NOTICE OF AGM

---

**(b) Article 3(3)**

by deleting the word “further” after the words “Except as allowed by the Law and subject” at the beginning of the first sentence, so that such sentence as amended will read:

“(3) Except as allowed by the Law and subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority the Company shall not give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.”

**(c) Article 10**

by inserting the word “and” at the end of Article 10(a); by deleting the words “on a poll” after the words “class shall be entitled” in Article 10(b); by deleting the punctuation and word “; and” and inserting a full stop in its place at the end of Article 10(b); and by deleting Article 10(c) in its entirety, so that Article 10 as amended will read:

“10. Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorized representative) holding or representing by proxy not less than one third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorized representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and
- (b) every holder of shares of the class shall be entitled to one vote for every such share held by him.”

**(d) Article 55(2)**

by inserting the number “(12)” after the words “the period commencing twelve” in the last sentence of Article 55(2), so that such sentence as amended will read:

“For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Article and ending at the expiry of the period referred to in that paragraph.”

---

## NOTICE OF AGM

---

**(e) Article 59(1)**

by inserting the words “shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days” after the words “An annual general meeting” at the beginning of the first sentence; by inserting the words “Notice of” after the words “shall be called by” in the first sentence; by deleting the punctuation and word “ ’ Notice” after the words “(21) clear days” and inserting in its place the words “and not less than ten (10) clear business days” in substitution therefor in the first sentence; by inserting the words “Notice of” after the words “may be called by” in the second sentence; by deleting the punctuation and word “ ’ Notice” after the words “(14) clear days” and inserting in its place the words “and not less than ten (10) clear business days” in substitution therefor in the second sentence; and by inserting the words “if permitted by the rules of the Designated Stock Exchange” immediately after the word “but” in the second sentence, so that Article 59(1) as amended will read:

“59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right.”

**(f) Article 59(2)**

by inserting the words “and particulars of resolutions to be considered at the meeting” after the words “place of the meeting” in the first sentence, so that such sentence as amended will read:

“The notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business.”



---

## NOTICE OF AGM

---

**(g) Article 66**

by deleting the words “on a show of hands every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy shall have one vote and” after the words “at any general meeting” in the first sentence; by deleting the second sentence in its entirety; by deleting the words “on a show of hands unless voting” after the words “meeting shall be decided” in the third sentence; by deleting the words and punctuation “is required by the rules of the Designated Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:” after the words “by way of a poll” in the third sentence; by deleting Article 66 (a), (b), (c) (d) and (e) in its entirety; and by deleting the last sentence of Article 66 in its entirety, so that Article 66 as amended will read:

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.”

**(h) Article 67**

by deleting Article 67, which reads:

“67. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.”

in its entirety and replacing therewith the words “Intentionally deleted”.

**(i) Article 68**

by deleting the words “If a poll is duly demanded the” at the beginning of the first sentence and by inserting in its place the word “The” in substitution therefor; and by deleting the words “at which the poll was demanded” after the words “resolution of the meeting” at the end of the first sentence, so that Article 68 as amended will read:

“68. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

---

## NOTICE OF AGM

---

**(j) Article 69**

by deleting Article 69, which reads:

“69. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.”

in its entirety and replacing therewith the words “Intentionally deleted”.

**(k) Article 70**

by deleting Article 70, which reads:

“70. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.”

in its entirety and replacing therewith the words “Intentionally deleted”.

**(l) Article 73**

by deleting the punctuation and words “, whether on a show of hands or on a poll” after the words “an equality of votes” in the second sentence, so that Article 73 as amended will read:

“73. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Law. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.”

**(m) Article 75(1)**

by deleting the punctuation and words “, whether on a show of hands or on a poll,” after the words “managing their own affairs may vote” in the fourth line; and deleting the words “or poll” after the words “or adjourned meeting” in the last line, so that Article 75(1) as amended will read:

“75. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person

---

## NOTICE OF AGM

---

claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.”

**(n) Article 80**

by deleting the words “or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.” after the words “proposes to vote” at the end of the first sentence; and by deleting the words “or on a poll demanded at a meeting or an adjourned meeting” after the words “at an adjourned meeting” in the second sentence, so that Article 80 as amended will read:

“80. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.”

**(o) Article 81**

by deleting the words “to demand or join in demanding a poll and” after the words “to confer authority” in the second sentence, so that such sentence as amended will read:

“The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.”

**(p) Article 82**

by deleting the punctuation and words “ , or the taking of the poll,” after the words “or adjourned meeting” at the end, so that Article 82 as amended will read:

“82. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.”

---

## NOTICE OF AGM

---

**(q) Article 84(2)**

by deleting the words “including the right to vote individually on a show of hands” after the words “(or its nominee(s))” in the last line, so that the second sentence as amended will read:

“Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).”

**(r) Article 145(1)(a)(iv)**

by inserting the words “(as defined below)” after the words “Subscription Rights Reserve” in the tenth line, so that the paragraph as amended will read:

“(iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non elected shares”) and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non elected shares on such basis; or”

**(s) Article 145(1)(b)(iv)**

by inserting the words “(as defined below)” after the words “Subscription Rights Reserve” in the tenth line, so that the paragraph as amended will read:

“(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate

---

## NOTICE OF AGM

---

number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.”

By Order of the Board of  
**China Sunshine Paper Holdings Company Limited**  
**Wang Dongxing**  
*Chairman*

Hong Kong, 24 April 2009

**Notes:**

1. The register of members of the Company will be closed from 19 May 2009 (Tuesday) to 25 May 2009 (Monday) (both days inclusive) during which no transfer of share(s) will be registered. Members whose names appear on the register of members of the Company at the close of business on 18 May 2009 (Monday) will be entitled to attend and vote at the Meeting.
2. Any shareholder entitled to attend and vote at the Meeting is entitled to appoint another person as his/her proxy to attend and vote on his/her behalf. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
3. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most, or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register in respect of the relevant joint holding.
4. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the annual general meeting or any adjournment thereof.
5. Please refer to Appendix II to the circular of the Company dated 24 April 2009 for the details of the new Director to be elected and the retiring Directors subject to re-election at the Meeting.

*As at the date of this announcement, the Directors are:*

*Executive Directors: Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Zhang Zengguo and Mr. Wang Yilong*

*Non-executive Directors: Mr. Xu Fang and Mr. Wang Nengguang*

*Independent non-executive Directors: Ms. Wong Wing Yee, Jessie, Mr. Wang Zefeng and Mr. Xu Ye*