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## **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 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 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.”

- (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.”

**(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.”

**(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.”

**(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.”

**(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 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.”

**(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 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*

*\* For identification purposes only*