
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 a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

This circular should be read in conjunction with the accompanying annual report of the Company for the year ended 31 December 2005.

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世紀陽光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8276)

- (1) PROPOSED GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES**
(2) PROPOSED REFRESHMENT OF THE 10% LIMIT ON GRANT OF OPTIONS
UNDER THE SHARE OPTION SCHEME
(3) PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF A NEW DIRECTOR
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

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

A notice convening an annual general meeting of the Company to be held at Salon IV, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 28th April 2006 at 3:00 p.m. or any adjournment thereof is set out on pages 16 to 21 of this circular. A form of proxy for use at the annual general meeting or any adjournment thereof of the Company is enclosed. Whether or not you propose to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong share registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

22nd March 2006

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held on 28th April 2006 at 3:00 p.m. or any adjournment thereof;
“AGM Notice”	notice convening the AGM as set out on pages 16 to 21 of this circular;
“Articles of Association”	the articles of association of the Company;
“associates”	has the meaning ascribed thereto under the GEM Listing Rules;
“Board”	board of Directors or a duly authorised committee thereof for the time being;
“Company”	Century Sunshine Ecological Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM;
“Director(s)”	director(s) of the Company for the time being and from time to time;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“General Mandates”	the Share Issue Mandate and the Share Repurchase Mandate;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	17th March 2006, being the latest practicable date for the purpose of ascertaining certain information contained herein;
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in paragraph 5 of the AGM Notice;
“PRC”	means the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this circular;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Scheme Mandate Limit”	the 10% limit on grant of options by the Company under the Share Option Scheme and any other share option scheme(s) of the Company;
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company (or of such nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Share Option Scheme”	the share option scheme of the Company adopted on 31st January 2004;
“Share Repurchase Mandate”	the proposed general mandate to be granted to the Directors to permit the repurchase of Shares of up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



世纪阳光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8276)

Directors:

Executive Directors:

Chi Wen Fu (*Chairman*)

Shum Sai Chit

Zhou Xing Dun

Non-Executive Directors

Zou Li

Wong May Yuk

Wu Wen Jing, Benjamin

Independent Non-Executive Directors

Shen Yi Min

Cheung Sound Poon

Kwong Ping Man

Registered Office:

Century Yard, Cricket Square

Hutchins Drive

P.O. Box 2681GT

George Town

Grand Cayman

Cayman Islands

British West Indies

**Head office and principal
place of business:**

Room 2807

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

22nd March 2006

To the Shareholders

Dear Sir/Madam,

(1) PROPOSED GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

**(2) PROPOSED REFRESHMENT OF THE 10% LIMIT ON GRANT OF OPTIONS
UNDER THE SHARE OPTION SCHEME**

**(3) PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF A NEW DIRECTOR**

AND

(4) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the Share Issue Mandate, the Repurchase Mandate, the refreshment of the Scheme Mandate Limit, the proposed re-election of the retiring Directors and election of a new Director and to seek your approval of the Ordinary Resolutions relating to these matters at the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 29th April 2005, the Shareholders passed resolutions granting the Directors a general mandate to allot, issue new Shares and to repurchase Shares. Such mandates will expire and lapse at the conclusion of the AGM. It is therefore proposed to renew the general mandates to issue, allot and deal with Shares and to repurchase Shares at the AGM.

At the AGM, the Ordinary Resolution no. 5(A) will be proposed for the Shareholders to consider and, if thought fit, approve a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the Ordinary Resolution no. 5(A) up to 20% of the issued share capital of the Company as at the date of passing the Ordinary Resolution no. 5(A). In addition, Ordinary Resolution no. 5(C) will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Share Repurchase Mandate, if granted.

As at the Latest Practicable Date, the issued share capital of the Company comprised 398,405,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 79,681,000 Shares.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in the Ordinary Resolutions nos. 5(A) and 5(C) as referred to in the AGM Notice. These mandates will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, or any other applicable law of the Cayman Islands to be held; and
- (c) the date on which the authority given under the Ordinary Resolutions nos. 5(A) and 5(C) respectively is revoked or varied by an ordinary resolution of the Shareholders.

3. GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, the Ordinary Resolution no. 5(B) will be proposed for the Shareholders to consider and, if thought fit, approve a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in the Ordinary Resolution no. 5(B) up to 10% of the issued share capital of the Company as at the date of

LETTER FROM THE BOARD

passing the Ordinary Resolution no. 5(B). The Shares which may be repurchased pursuant to the Share Repurchase Mandate is up to 10% of the issued share capital of the Company on the date of passing the resolution approving the Share Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 398,405,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 39,840,500 Shares.

An explanatory statement as required under Rule 13.08 of the GEM Listing Rules, giving certain information regarding the Share Repurchase Mandate, is set out in Appendix I to this circular. The Share Repurchase Mandate will expire upon the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, or any other applicable law of the Cayman Islands to be held; and
- (c) the date on which the authority given under the Ordinary Resolution no. 5(B) is revoked or varied by an ordinary resolution of the Shareholders.

4. REFRESHMENT OF THE 10% SCHEME MANDATE LIMIT

The Share Option Scheme was adopted by the Company on 31st January 2004. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

Pursuant to the Share Option Scheme, the maximum number of Shares in respect of which option may be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the total number of issued Shares as at the date of adoption of the Share Option Scheme. The Company may refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders at general meeting provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of the Shareholders' approval of the refreshing of the Scheme Mandate Limit; and
- (b) options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including options outstanding, cancelled or lapsed or exercised in accordance with the relevant scheme rules) shall not be counted for the purpose of calculating the limit as refreshed.

LETTER FROM THE BOARD

Notwithstanding the foregoing, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

As at the Latest Practicable Date, the total number of Shares which may be granted under the outstanding options of the Company are 28,955,000 Shares, representing approximately 7.3% of the existing issued share capital of the Company. The total number of Shares under the remaining options which may be granted by the Company under the existing Share Mandate Limited are 12,500,000 Shares. The Scheme Mandate Limit so refreshed of options for 39,840,500 Shares together with all outstanding options as at the Latest Practicable Date for an aggregate of 28,955,000 Shares translate to options for an aggregate of 68,795,500 Shares, representing approximately 17.3% of the issued share capital of the Company as at the date of the AGM using the assumption stated above. Such percentage falls below the 30% limit as required by Rule 23.03 of the GEM Listing Rules.

Since the purpose of the Share Option Scheme is to recognize the significant contribution and support of the eligible persons to the Company and its subsidiaries by rewarding them with opportunities to obtain the ownership interest in the Company and to further motivate and give incentives to these persons to continue to contribute to the long term success and prosperity of the Company and its subsidiaries, the Board proposes to refresh the Scheme Mandate Limit. The Board considers that the refreshing of the Scheme Mandate Limit is in the interest of the Company and the Shareholders as it enables the Company to have more flexibility in providing incentives to those eligible persons by way of granting of options.

At the AGM, the Ordinary Resolution no. 5(D) will be proposed to the Shareholders to consider and, if thought fit, approve the refreshment of the Scheme Mandate Limit as set out in the Ordinary Resolution no. 5(D) up to 10% of the issued share capital of the Company as at the date of the passing of the Ordinary Resolution no. 5(D). If the refreshment of the Scheme Mandate Limit is approved at the AGM, based on the 398,405,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be allotted and issued and no Shares will be repurchased after the Latest Practicable Date and up to the date of the AGM, the Company may grant further options carrying right to subscribe for up to a total of 39,840,500 Shares under the Share Option Scheme (representing 10% of the issued share capital of the Company as at the date of the AGM).

No options may be granted if this will result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company exceed 30% of the Shares in issue from time to time.

LETTER FROM THE BOARD

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of the necessary resolution to approve the refreshing of the Scheme Mandate Limit by the Shareholders at the AGM; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of options under the Share Option Scheme.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued by the Company (representing 10% of the Shares in issue as at the date of refreshing of the Scheme Mandate Limit) pursuant to the exercise of the options under the Share Option Scheme and any other share option scheme(s) of the Company.

5. RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF A NEW DIRECTOR

In accordance with Article 87 of the Articles of Association, Mr. Wu Wen Jing, Benjamin, Mr. Kwong Ping Man and Mr. Cheung Sound Poon will retire at the AGM and being eligible, would offer themselves for re-election. The Directors also propose to elect Ms. Chi Bi Fen as a new Director.

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

6. AGM

Set out on pages 16 to 21 of this circular is the AGM Notice convening the AGM at which, inter alia, the Ordinary Resolutions will be proposed to approve the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate, the refreshment of the Scheme Mandate Limit, the re-election of retiring Directors and election of a new Director.

7. PROXY ARRANGEMENT

A form of proxy is enclosed for your use at the AGM. You are requested to complete and return the form of proxy to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 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 a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

8. RIGHT TO DEMAND A POLL

Pursuant to Article 66 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (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 duly demanded. A poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) a member or members present in person or in the case of a member being a corporation by its duly representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being 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.

9. RESPONSIBILITY STATEMENT

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

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

LETTER FROM THE BOARD

10. RECOMMENDATION

The Directors believe that the grant of the Share Issue Mandate and the Share Repurchase Mandate, the extension of the Share Issue Mandate, the refreshment of the Scheme Mandate Limit, the re-election of the retiring Directors and the election of a new Director are all in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of the Ordinary Resolutions at the AGM.

11. GENERAL

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

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

The following is the explanatory statement which is required to be sent to you under Rule 13.08 of the GEM Listing Rules in connection with the proposed Share Repurchase Mandate.

1. GEM LISTING RULES

The GEM Listing Rules permit companies with a primary listing on GEM to purchase their securities subject to certain restrictions.

2. SHAREHOLDERS' APPROVAL

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

3. THE REPURCHASE PROPOSAL

The resolution set out as Ordinary Resolution (B) in paragraph 5 of the AGM Notice relates to the granting of a general and unconditional mandate to the Directors to repurchase, on GEM or any other stock exchange on which the shares of the Company may be listed and recognized by The Securities and Futures Commission of Hong Kong, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the passing of the resolution.

Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 39,840,500 Shares during the period ending on the earliest of the conclusion of the next annual general meeting of the Company; the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles of Association to be held; or the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

4. REASONS FOR REPURCHASES

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASES

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

repurchases must be made out of funds of the Company legally permitted to be utilized in this connection, including out of the profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if so authorized by its articles of association subject to the Companies Law of the Cayman Islands, out of capital. Any premium payable on a repurchase over the par value of the shares to be purchased must be provided for out of the profits of the Company or out of the Company's share premium account or if so authorized by its articles of association and subject to the provisions of the Companies Law of the Cayman Islands, out of capital.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31st December 2005) in the event that the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The monthly highest and lowest prices at which the Shares had traded on GEM during the 12 months immediately preceding the Latest Practicable Date were as follows:

Month	Per Share	
	Highest trading price	Lowest trading price
	<i>HK\$</i>	<i>HK\$</i>
2005		
March	0.89	0.71
April	1.25	0.85
May	1.30	1.06
June	1.70	1.20
July	1.76	1.52
August	1.88	1.67
September	1.78	1.64
October	1.83	1.70
November	2.275	1.84
December	2.675	2.15
2006		
January	3.10	2.55
February	3.075	2.70
March (up to and including the Latest Practicable Date)	3.575	2.90

7. GENERAL INFORMATION

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

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

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

8. HONG KONG CODE ON TAKEOVERS AND MERGERS

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

As at the Latest Practicable Date, Alpha Sino International Limited ("Alpha Sino") is a substantial shareholder of the Company holding approximately 48.62% of the issued share capital of the Company. In the event that the Directors exercise the Share Repurchase Mandate to the extent that the proportionate interest of Alpha Sino together with its associates in the voting rights of the Company would increase by more than 2% in any 12 month period, an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code would arise. If the Directors exercise the Share Repurchase Mandate in full, the proportionate interest of Alpha Sino together with its associates in the voting rights of the Company would increase from approximately 48.62% to approximately 54.62%. The Directors have no present intention to exercise the Share Repurchase Mandate to the extent that such an obligation under the Takeovers Code would arise.

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

9. SHARE REPURCHASE BY THE COMPANY

No Shares have been repurchased by the Company, whether on GEM or otherwise, in the six months immediately preceding the Latest Practicable Date.

The following sets out the details of the Directors who will retire and, being eligible, shall offer themselves for re-election at the AGM pursuant to the Articles of Association and the proposed new Director to be elected at the AGM.

WU Wen Jing, Benjamin (吳文京)

Non-Executive Director

Mr. Wu was appointed as a non-executive Director on 13th January 2005. Mr. Wu is aged 37 and has about 10 years of investment banking experience in Hong Kong, Mainland China and Australia. Mr. Wu was an executive director of Watterson Asia Limited and a Vice President at DBS Bank (Hong Kong) Limited, responsible for corporate initial public offering and financial advisory transactions. Mr. Wu obtained a master degree in Banking and Finance from the University of Technology, Sydney, in Australia. Currently, Mr. Wu is also an independent non-executive director of Yunnan Enterprises Holdings Limited, a company listed on the main board of the Stock Exchange.

The initial term of office of Mr. Wu is 2 years commencing from 13th January 2005 under his letter of appointment. The term of office of Mr. Wu shall continue after the expiration of the initial term until at least 3 months' prior written notice is given by either Mr. Wu or the Company to terminate the same. No remuneration is payable by the Company to Mr. Wu under his letter of appointment or otherwise.

Mr. Wu does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Save and except his personal interest in 3,880,000 Shares and options granted by the Company to purchase up to 1,000,000 Shares, Mr. Wu does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Mr. Wu that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Wu required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

CHEUNG Sound Poon (張省本)

Independent Non-Executive Director

Mr. Cheung was appointed as an independent non-executive Director on 31st January 2004. Mr. Cheung is aged 45 and is presently a senior manager at Chui & Kwok (CPA), an audit firm in Hong Kong. He was a senior auditor at Gary W. K. Yam & Co. (CPA), an audit firm in Hong Kong, with which he worked between June 1979 and May 1987. He then joined another audit firm in Hong Kong as an audit manager before joining Chui and Kwok. Mr. Cheung has had over 20 years of experience in auditing and accounting in Hong Kong. He has not held any directorship with any listed company in the last three years.

The initial fixed term of office of Mr. Cheung had already expired on 30th January 2006. Mr. Cheung's term of office has continued thereafter pursuant to his letter of appointment until at least 3 months' prior written notice is given by either Mr. Cheung or

the Company to terminate the same. A fixed emolument of HK\$20,000 per annum is payable to Mr. Cheung. His remuneration shall be determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and will be reviewed by the Board on an annual basis.

Mr. Cheung is also the chairman of the audit committee and a member of the remuneration committee of the Company responsible for the formulation of remuneration policy on the senior management of the Company.

Mr. Cheung does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Save and except that Mr. Cheung has options granted by the Company to purchase up to 500,000 Shares, he does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Mr. Cheung that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Cheung required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

KWONG Ping Man (鄺炳文)

Independent Non-Executive Director

Mr. Kwong was appointed as an independent non-executive Director on 14th September 2004. Mr. Kwong is aged 41 and is currently the managing director of Fortitude Consulting Limited engaging in corporate advisory services. Prior to joining the Company, he served as the chief financial officer of two companies based in Guangzhou and Nanjing, the PRC respectively for more than 5 years. Mr. Kwong is a graduate from Curtin University of Technology in Australia with a bachelor degree in Commerce Accounting. Mr. Kwong obtained a master degree in Professional Accounting from the Hong Kong Polytechnic University in October 2003. Mr. Kwong is a Certified Practising Accountant of the CPA Australia and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Kwong is also an associate member of the Institute of Chartered Secretaries and Administrators and an associate member of the Hong Kong Institute of Company Secretaries. He has not held any directorship with any listed company in the last three years.

The term of office of Mr. Kwong is two years commencing from 14th September 2004 and shall continue thereafter until at least 3 months' prior written notice is given by either Mr. Kwong or the Company to terminate the same. A fixed emolument of HK\$20,000 per annum is payable to Mr. Kwong under his letter of appointment. His remuneration shall be determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and will be reviewed by the Board on an annual basis.

Mr. Kwong is also a member of the audit committee and the chairman of the remuneration committee of the Company responsible for the formulation of remuneration policy on the senior management of the Company.

Mr. Kwong does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Save and except his personal interest in 235,000 Shares and options granted by the Company to purchase up to 500,000 Shares, Mr. Kwong does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Mr. Kwong that need to be brought to the attention of the Shareholders. Nor is there any information regarding Mr. Kwong required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

CHI Bi Fen (池碧芬)

Proposed Non-Executive Director

Ms. Chi, aged 47, is presently the Deputy General Manager of Green Land Bio-Products Company Limited (福建省尤溪縣綠地生物製品有限公司), a wholly owned subsidiary of the Company. Before joining Green Land Bio-Products Company Limited in March 2000, she was a Deputy General Manager of an electrical equipment company for more than 17 years. She has a diploma in Accounting and Finance from Fujian Province Adult College (福建省成人中等專業學校) in the PRC. Ms. Chi has extensive experience in the field of accounting, taxation and finance in the PRC for more than 15 years. During her employment with Green Land Bio-Products Company Limited, Ms. Chi is entitled to remuneration payable to her under her employment agreement. She has not held any directorship with any listed company in the last three years.

If elected, Ms. Chi and the Company intend to sign a letter of appointment for an initial term of 2 years commencing from 28th April 2006 which appointment shall continue thereafter until at least 3 months' prior written notice is given by either Ms. Chi or the Company to terminate the same. It is intended that no remuneration will be payable by the Company to Ms. Chi under her proposed letter of appointment.

Ms. Chi is the sister of Mr. Chi Wen Fu, an executive Director and Chairman of the Company. Save as disclosed in this circular, Ms. Chi does not have any relationship with any other Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Save and except that Ms. Chi has options granted by the Company to purchase up to 1,500,000 Shares, she does not have any interest in Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Ms. Chi that need to be brought to the attention of the Shareholders. Nor is there any information regarding Ms. Chi required to be disclosed pursuant to Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

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世紀陽光

CENTURY SUNSHINE ECOLOGICAL TECHNOLOGY HOLDINGS LIMITED

世紀陽光生態科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8276)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Century Sunshine Ecological Technology Holdings Limited (the “Company”) will be held at Salon IV, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai Hong Kong on 28th April 2006 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements of the Company and its subsidiaries and the reports of the directors of the Company (“Director(s)”) and auditors for the year ended 31st December 2005;
2. To declare a final dividend of HK\$0.035 per share for the year ended 31st December 2005;
3. (a) (i) to re-elect Mr. Wu Wen Jing, Benjamin as a non-executive Director;
(ii) to re-elect Mr. Cheung Sound Poon as an independent non-executive Director;
(iii) to re-elect Mr. Kwong Ping Man as an independent non-executive Director;
(iv) to elect Ms. Chi Bi Fen as an additional non-executive Director; and
(b) to authorise the board of Directors (the “Board”) to determine the remuneration of the Directors.
4. To re-appoint auditors of the Company and authorise the Board to fix their remuneration;

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5. To consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

(A) **“THAT:**

- (i) subject to paragraph (iii) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “Shares”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise), by the Directors pursuant to the approval in paragraph (i) of this Resolution, otherwise than pursuant to (aa) a Rights Issue (as defined below); or (bb) the grant or exercise of any option granted under any scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons or rights to acquire Shares; or (cc) any script dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”), shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the authority pursuant to paragraph (i) of this Resolution shall be limited accordingly; and
- (iv) for the purpose of this Resolution:
 - (aa) “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;

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

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

(bb) “Rights Issue” means an offer of Shares or other securities of the Company open for a period fixed by the Directors to holders of Shares or any class of securities of the Company whose name appear on the register of members (and where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares or class of securities of the Company (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“THAT:**

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

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

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(iii) for the purposes of this Resolution:

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

- (aa) the conclusion of the next annual general meeting of the Company;
- (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or
- (cc) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

(C) “**THAT** conditional upon Resolution (A) and Resolution (B) as set out in paragraph 5 of the notice of the annual general meeting of the Company dated 22nd March 2006 (the “AGM Notice”) being passed, the aggregate nominal amount of the share capital of the Company which are repurchased by Company under the authority granted pursuant to Resolution (B) as set out in paragraph 5 of the AGM Notice (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Resolution (B) as set out in paragraph 5 of the AGM Notice) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution (A) as set out in paragraph 5 of the AGM Notice.”

(D) “**THAT** conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in such number of Shares in the capital of the Company which may be issued by the Company pursuant to the exercise of options granted under the share option scheme adopted by the Company on 31st January 2004 (the “Share Option Scheme”) up to the Refreshed Scheme Limit (as hereinafter defined), approval be and is hereby granted for refreshing the 10% mandate limit under the Share Option Scheme (the “Refreshed Scheme Limit”) pursuant to clause 9.04 of the Share Option Scheme such that the total number of Shares which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company under the Refreshed Scheme Limit shall not exceed 10% of the Shares in issue on the date of passing of this Resolution, provided that for the purpose of calculating whether the Refreshed Scheme Limit is exceeded, all Shares which are subject to or had been subject to the options granted under the Share Option Scheme and any other share option scheme(s) of the Company prior to the passing of this Resolution (including options outstanding, cancelled, lapsed and exercised in accordance with the terms of the Share Option Scheme and any other share option scheme(s) of

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the Company) shall not be taken into account, and the Directors or duly authorized committee thereof be and are hereby authorized to grant options and to allot, issue and deal with unissued Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Limit in accordance with the rules of the Share Option Scheme and to do such act and execute such document(s) for or incidental to such purpose.”

By Order of the Board
Tang Ying Kit
Company Secretary

Hong Kong, 22nd March 2006

**Head office and principal
place of business in Hong Kong**
Room 2807, China Resources Building
26 Harbour Road
Wanchai
Hong Kong

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Notes:

- (1) A form of proxy for use at the annual general meeting of the Company or any adjournment thereof is enclosed.
- (2) Any member entitled to attend and vote at the annual general meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the annual general meeting of the Company. A proxy need not be a member of the Company.
- (3) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of that power or authority) must be deposited at the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting of the Company or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.
- (4) In the case of joint holders of any Share, any one of such joint holders may vote at the annual general meeting of the Company, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting in person or by proxy, then one of the said persons to present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- (5) The register of members of the Company will be closed from 25th April 2006 to 28th April 2006, both days inclusive, during which period no transfer of Shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend for the year ended 31st December 2005 and for attending the annual general meeting of the Company to be held on 28th April 2006, all transfers of Shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:00 p.m. on 24th April 2006.
- (6) An explanatory statement regarding the general mandate for the repurchase of Shares sought in Resolution (B) (as set out in paragraph 5 of the AGM Notice) is set out in the appendix I to the circular of the Company dated 22nd March 2006 of which this notice forms part.