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# THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular, you should consult your 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 Hi Sun Technology (China) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司\*

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 818)**

### CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF 5% INTEREST IN NEW CONCEPT SERVICES LIMITED

*Financial Adviser to the Company*



**CIMB-GK Securities (HK) Limited**

*Independent Financial Adviser to  
the Independent Board Committee and Independent Shareholders*

**Nuada Limited**

*Corporate Finance Advisory*

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A letter from the Board is set out on pages 4 to 10 of this circular. A letter from the Independent Board Committee is set out on page 11 of this circular. A letter from Nuada Limited, the independent financial adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 20 of this circular.

A notice convening the Special General Meeting of Hi Sun Technology (China) Limited to be held at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 14 May 2008 at 10:30 a.m. is set out on pages 26 to 27 of this circular. Whether or not you are able to attend, please complete the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment thereof should you so wish.

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## DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Company from the Vendor pursuant to the terms and conditions of the Agreement
“Agreement”	the sale and purchase agreement dated 8 April 2008 entered into between the Company, the Vendor and Mr. Li Ningchuan in relation to the Acquisition as more particularly set out under the section headed “The Agreement” of the “Letter from the Board” of this circular
“Announcement”	the announcement of the Company dated 10 April 2008 in relation to the Acquisition
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Hi Sun Technology (China) Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition as contemplated under the Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hangzhou PAX”	杭州百富電力技術有限公司 (Hangzhou PAX Electric Technology Company Limited) (formerly known as 杭州百富控股有限公司 (Hangzhou Baifu Holding Company Limited)), a wholly-owned subsidiary of New Concept and an indirect subsidiary of the Company
“Hangzhou PAX Group”	Hangzhou PAX and its subsidiaries

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hualong Group”	the group of companies comprising the Hangzhou PAX Group and the Pacific Sheen Group prior to the completion of the Previous Acquisition
“Independent Board Committee”	the committee of the Board comprising Mr. Tam Chun Fai, Mr. Xu Sitao and Mr. Leung Wai Man, Roger established to advise the Independent Shareholder in relation to the Agreement
“Independent Shareholder(s)”	Shareholders other than the Vendor, Mr. Li Ningchuan and their respective associates (if any)
“Latest Practicable Date”	24 April 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li Ningchuan”	Mr. Li Ningchuan (李寧川), the sole shareholder of the Vendor, a past director of Pacific Sheen and the guarantor under the Agreement
“New Concept”	New Concept Services Limited, a company incorporated in the British Virgin Islands and a 95% owned subsidiary of the Company, comprising the Hangzhou PAX Group and the Pacific Sheen Group as at the Latest Practicable Date
“Pacific Sheen”	Pacific Sheen International Limited (富順國際有限公司), a company incorporated in Hong Kong, a wholly-owned subsidiary of New Concept an indirect subsidiary of the Company
“Pacific Sheen Group”	Pacific Sheen and its subsidiaries
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau and Taiwan

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## DEFINITIONS

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“Previous Acquisition”	the acquisition of an effective interest of 95% of New Concept by the Company pursuant to the sale and purchase agreement dated 10 February 2007, details of which are set out in the circular of the Company dated 30 March 2007
“Sale Shares”	5 ordinary shares of nominal value of USD1.00 each in New Concept, representing 5% of the entire issued share capital of New Concept, owned by the Vendor as at the Latest Practicable Date
“SGM”	the special general meeting of the Company to be convened and held to consider and if thought appropriate, to approve the Acquisition and the transaction contemplated under the Agreement by the Independent Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Universal Star Group Ltd., a company incorporated in Samoa with limited liability, the entire issued share capital of which is owned by Mr. Li Ningchuan
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

*For the purpose of illustration in respect of the figures relating to the Previous Acquisition in this circular, figures in Renminbi are translated into HK\$ at the approximate exchange rate of RMB0.99268 to HK\$1.00.*



**HI SUN TECHNOLOGY (CHINA) LIMITED**

**高陽科技(中國)有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 818)**

*Executive Directors:*

Mr. CHEUNG Yuk Fung (*Chairman*)

Mr. KUI Man Chun

Mr. XU Wensheng

Mr. LI Wenjin

Mr. XU Chang Jun

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Independent non-executive Directors:*

Mr. TAM Chun Fai

Mr. XU Sitao

Mr. LEUNG Wai Man, Roger

*Head office and principal  
place of business:*

Room 2416, 24th Floor  
Sun Hung Kai Centre  
30 Harbour Road  
Wanchai  
Hong Kong

28 April 2008

*To the Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
IN RELATION TO ACQUISITION OF 5% INTEREST IN  
NEW CONCEPT SERVICES LIMITED**

**INTRODUCTION**

On 8 April 2008, the Company entered into the Agreement with the Vendor pursuant to which the Company conditionally agreed to purchase, and the Vendor agreed to sell the Sale Shares, representing 5% of the entire issued share capital of New Concept, for a cash consideration of approximately HK\$15.5 million.

\* For identification purpose only

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## LETTER FROM THE BOARD

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The Company currently owns 95% of the entire issued share capital of New Concept. Mr. Li Ningchuan, the sole shareholder of the Vendor, is a past director of Pacific Sheen. Accordingly, Mr. Li Ningchuan is a connected person of the Company and the Vendor is therefore an associate of a connected person of the Company. Given that the revenue ratio exceeds 2.5% and the consideration for the Acquisition exceeds HK\$10 million, the Acquisition contemplated under the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to reporting, announcement and approval by the Independent Shareholders at the SGM. Mr. Li Ningchuan and his associates, which beneficially owned 4,341,194 Shares as at the Latest Practicable Date, representing approximately 0.19% of the total issued Shares, will abstain from voting at the SGM.

The Independent Board Committee has been formed to advise the Independent Shareholders in relation to the Acquisition and Nuada Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### THE AGREEMENT

#### Date:

8 April 2008

#### Parties:

- (1) Vendor: Universal Star Group Ltd., an investment holding company incorporated in Samoa with limited liability
- (2) Purchaser: the Company
- (3) Guarantor: Mr. Li Ningchuan is the sole shareholder of the Vendor and a past director of Pacific Sheen. Accordingly, Mr. Li Ningchuan is a connected person of the Company and the Vendor is therefore an associate of a connected person of the Company. Mr. Li Ningchuan has undertaken to guarantee the performance of the Vendor's obligation under the Agreement.

#### Assets to be acquired

The Sale Shares, representing 5% of the entire issued share capital of New Concept.

#### Consideration

The consideration of approximately HK\$15.5 million for the Acquisition shall be paid by the Company to the Vendor by delivery of banker's draft upon fulfillment of the conditions of the Agreement at Completion.

The consideration for the Acquisition was determined after arm's length negotiations between the parties to the Agreement with reference to acquisition price paid by the Company for the Previous Acquisition. The Company intends to finance the consideration for the Acquisition from its internal resources.

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## LETTER FROM THE BOARD

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### Conditions to Completion

Completion is conditional upon the fulfillment of conditions including, among others, the following:

- (i) approval of the Agreement, the Acquisition and the transactions contemplated thereunder by the Independent Shareholders in a general meeting as required under the Listing Rules; and
- (ii) the obtaining of all relevant approvals and consents from the relevant authorities in relation to the Acquisition and the transaction contemplated under the Agreement.

In the event that any of the above conditions has not been fulfilled on or before 6 May 2008 (or such later date as is otherwise agreed by the Vendor and the Company in writing), the Agreement shall terminate and the parties to the Agreement shall have no further claim against each other save and except for any antecedent breach. Subsequent to the date of the Agreement, the Vendor and the Company have agreed in writing to extend the deadline for fulfillment of the conditions to 31 May 2008.

### THE PREVIOUS ACQUISITION

In February 2007, the Company entered into an agreement with the founders (including Mr. Li Ningchuan) of the Hualong Group (the “Founders”) to effectively acquire 95% interest of Hualong Group (after taking into account the disposal of 5% interest in Hualong Group to the Vendor as mentioned below) at a net consideration of RMB255,617,500 (equivalent to approximately HK\$257.5 million). For details of the Previous Acquisition, please refer to the circular of the Company dated 30 March 2007 (the “Previous Circular”).

As disclosed in the Previous Circular, as part of the Previous Acquisition, the Company would dispose of 5% interest in the Hualong Group to the Founders for a consideration of approximately RMB15.0 million upon completion of the Previous Acquisition. The Company had disposed of such 5% interest in the Hualong Group to the Vendor, a company wholly-owned by Mr. Li Ningchuan. Accordingly, after completion of the Previous Acquisition in July 2007, New Concept became the immediate holding company of the Hualong Group and is owned by the Company and the Vendor as to 95% and 5% respectively.

### INFORMATION ON NEW CONCEPT

New Concept was a 100% owned subsidiary of the Company when it was incorporated in the British Virgin Islands on 12 April 2006. Upon the completion of the Previous Acquisition, New Concept became a 95% owned subsidiary of the Company comprising the Hangzhou PAX Group and the Pacific Sheen Group. For the year ended 31 December 2007, save for its shareholding interest in the Hangzhou PAX Group and the Pacific Sheen Group and a shareholders’ loan of approximately HK\$260.9 million, New Concept has no other material assets and liabilities. The Hangzhou PAX Group and the Pacific Sheen Group, having a history of over a decade, are principally engaged in the design, manufacture and sale of electronic power meters and provision of management and automation solutions for the electric power industry. New Concept’s electronic power meters are primarily used to measure the transfer of electricity between power stations, power companies and end users of electricity such as residential and industrial users, and can be custom-made according to customers’ requirements and specifications.



## LETTER FROM THE BOARD

Set out below are the audited combined financial information of the Hangzhou PAX Group and the audited consolidated financial information of the Pacific Sheen Group for the two years ended 31 December 2005 and 2006, and the unaudited consolidated financial information of the Hangzhou PAX Group and the Pacific Sheen Group for the year ended 31 December 2007, which are prepared in accordance with accounting principles generally accepted in Hong Kong:

Hangzhou PAX Group:

	<b>For the year ended 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	(audited)	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	313,502	394,579	292,856
Net profit before taxation	34,191	59,320	38,476
Net profit after taxation	36,672	43,345	29,698

	<b>As at 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	(audited)	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net assets	166,651	164,761	150,461

Pacific Sheen Group:

	<b>For the year ended 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	(audited)	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	–	–	–
Net loss before taxation	(299)	(619)	(1,469)
Net loss after taxation	(299)	(619)	(1,469)

	<b>As at 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	(audited)	(audited)	(unaudited)
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net assets	3,478	3,815	3,836

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## LETTER FROM THE BOARD

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### REASONS FOR AND BENEFITS OF THE ACQUISITION

Prior to the Previous Acquisition in 2007, the Group has been principally engaged in the sales of information technology products, provision of business process operation services, provision of information system consultancy and integration services, and information technology operation value-added services. With the acquisition of New Concept, the Group has further expanded its business activity to the electronic power meters industry.

The Directors consider that the Acquisition constitutes a good opportunity to further consolidate its interest in New Concept, thereby enabling it to consolidate a 100% of New Concept's financials into the financial statements of the Group, without having to account for the 5% minority interest of the Vendor. The Directors (including the independent non-executive Directors) also consider that the terms of the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### LISTING RULES IMPLICATIONS

As Mr. Li Ningchuan is the sole shareholder of the Vendor and a past director of Pacific Sheen, he is a connected person of the Company. Accordingly, the Acquisition and the transactions contemplated under the Agreement constitutes a connected transaction of the Company and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Li Ningchuan and his associates, which beneficially owned 4,341,194 Shares as at the Last Practicable Date, representing approximately 0.19% of the total issued Shares, will abstain from voting at the SGM.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the Acquisition and the transactions contemplated under the Agreement. Nuada Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition and the transactions contemplated under the Agreement.

### SGM

Set out on pages 26 to 27 of this circular is a notice convening the SGM to be held at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 14 May 2008 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the resolution to approve the Acquisition and the transaction contemplated under the Agreement. A form of proxy is herewith enclosed for use at the SGM. If you are not able to attend the meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible to the principal place of business of the Company at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting should you so wish.

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## LETTER FROM THE BOARD

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### PROCEDURES FOR DEMANDING A POLL AT GENERAL MEETING

Pursuant to Bye-Law 66 of the bye-laws of the Company, a resolution put to the vote of a general meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Designated Stock Exchange (as defined in the bye-laws of the Company) 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 by: (i) the chairman of the meeting; or (ii) at least three members present in person (or in the case of a member being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or (iii) a member or members present in person (or in the case of a member being a corporation by its duly authorized 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 (iv) by a member or members present in person (or in the case of a member being a corporation by its duly authorized 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; or (v) if required by the rules of the Designated Stock Exchange (as defined in the bye-laws of the Company) by the chairman of the meeting and/or the 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.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member.

### RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Agreement are fair and reasonable and in the best interests of the Company and the Shareholders as a whole. The Directors recommend that the Shareholders vote in favour of the resolution for approving the Acquisition and the transaction contemplated under the Agreement.

The Independent Board Committee, having taken into account the advice of Nuada Limited, the independent financial adviser, considers that the Acquisition and the transaction contemplated under the Agreement are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM in relation to the Acquisition and the transactions contemplated under the Agreement.

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 11 of this circular, to the letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Acquisition and the transaction contemplated under the Agreement, and to the information set out in the appendix to this circular.

By order of the Board  
**LI Wenjin**  
*Executive Director*



**HI SUN TECHNOLOGY (CHINA) LIMITED**

**高陽科技(中國)有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 818)**

28 April 2008

*To the Independent Shareholders*

Dear Sir or Madam,

**CONNECTED TRANSACTION  
IN RELATION TO ACQUISITION OF 5% INTEREST IN  
NEW CONCEPT SERVICES LIMITED**

We refer to the circular issued by the Company to the Shareholders dated 28 April 2008 (the "Circular") of which this letter forms part. Unless the context otherwise defines, terms used in this letter shall have the same meanings as defined in the Circular.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in connection with the Acquisition and the transaction contemplated under the Agreement. Nuada Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition and the transaction contemplated under the Agreement.

We wish to draw your attention to the letter from the Board as set out on pages 4 to 10 and the letter from Nuada Limited as set out on pages 12 to 20 of the Circular respectively.

Having considered the principal factors and reasons considered by, and the advice of Nuada Limited as set out in its letter of advice, we consider that the Acquisition and the transaction contemplated under the Agreement are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Acquisition and the transaction contemplated under the Agreement.

Yours faithfully,  
the Independent Board Committee  
**Tam Chun Fai   Xu Sitao   Leung Wai Man, Roger**  
*Independent Non-executive Directors*

\* For identification purpose only

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# LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the text of a letter of advice from Nuada Limited in connection with the terms of the Agreement which has been prepared for inclusion in this circular.*

**Nuada Limited**  
*Corporate Finance Advisory*

7th Floor, New York House  
60 Connaught Road Central  
Hong Kong

28 April 2008

*To the Independent Board Committee and  
the Independent Shareholders*

Dear Sirs,

## **CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF 5% INTEREST IN NEW CONCEPT SERVICES LIMITED**

### **INTRODUCTION**

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Acquisition and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole and whether the Independent Shareholders should vote in favour of the Acquisition and the transactions contemplated thereunder. Details of the Acquisition are set out in the letter from the board (the “Board’s Letter”) in the circular to the Shareholders dated 28 April 2008 (the “Circular”), of which this letter forms part. Unless otherwise stated, terms used in this letter have the same meanings as those defined in the Circular.

The Independent Board Committee has been formed to advise the Independent Shareholders as to whether the terms of the Acquisition and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company and the Directors. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company and the Directors and for which they are solely and wholly responsible, were true and accurate at the time they were made and continue to be made the date hereof.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Directors collectively and severally accept full responsibility for the accuracy of the information contained in the Circular. The Directors have confirmed, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading. We consider that we have reviewed sufficient information to reach an informed view regarding the Acquisition, and to justify our reliance on the accuracy of the information contained in the Circular and to form a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information provided, nor have we carried out any in-depth investigation into the business, affairs and prospects of the Group and New Concept or the markets in which they respectively operate.

We have not studied, investigated nor verified the validity of all legal aspects of, and procedural aspects for, the Agreement. We have further assumed that all material governmental, regulatory or other consents, rights, waivers, authorisations, licenses, clearances and approvals necessary for the effectiveness and implementation of the Agreement has been or will be obtained and will not be withdrawn without any adverse effect on the Group, the assets and liabilities of the Group or the contemplated benefits to the Group as derived from the Agreement.

Our opinion is necessarily based upon the financial, economic (including exchange rates and interest rates), market, regulatory and other conditions as they exist on, and the facts, information, representations and opinions made available to us as of the Latest Practicable Date. Our opinion does not in any manner address the Company's own decision to proceed with the Acquisition. We disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinion expressed herein, which may come or be brought to our attention after the Latest Practicable Date.

### **BACKGROUND INFORMATION**

On 10 February 2007, the Company entered into the agreement, pursuant to which, the Company conditionally agreed (i) to procure the acquisition of the entire interest in the Hualong Group and the related shareholders' loan from the founders, including Mr. Li Ningchuan, of the Hualong Group (the "Founders"), for a total consideration of RMB300,650,000; and (ii) to dispose 5% of the issued share capital of its subsidiary which would have become the immediate holding company of the Hualong Group to the Founders for a total consideration of RMB15,032,500 (the "Previous Transaction"). The Previous Transaction was completed in July 2007 and New Concept became the immediate holding company of the Hualong Group and a 95% owned subsidiary of the Company. For further details of the Previous Transaction, Shareholders are recommended to refer to the Company's announcement dated 13 February 2007 and the Company's circular dated 30 March 2007.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Previous Transaction was completed on 30 July 2007 as stated in the announcement of the Company dated 1 August 2007 (the “Completion Announcement”). The consideration of RMB300,650,000 for the acquisition of the entire interest in the Hualong Group was reduced by the amount of dividends of RMB30,000,000 declared by the Hualong Group and paid to the Founders prior to the completion of the Previous Transaction. The remaining balance of RMB270,650,000 was satisfied by the Company as to (i) a cash payment of RMB170,650,000; and (ii) the balance of RMB100,000,000 by way of the issue of 36,900,146 new Shares. Further, the Company received cash consideration of RMB15,032,500 for the disposal of the 5% of the issued share capital of Hualong Group. As such, the net consideration to effectively acquire 95% interest of Hualong Group by the Company is RMB255,617,500.

On 8 April 2008, the Company entered into the Agreement, pursuant to which the Company has conditionally agreed to purchase or procure the purchase of, and the Vendor has agreed to sell the Sale Shares, representing 5% of the issued share capital of New Concept, for a total consideration of approximately HK\$15.5 million. The consideration of approximately HK\$15.5 million for the Acquisition shall be paid by the Company to the Vendor by delivery of banker’s draft upon fulfillment of the conditions of the Agreement at Completion. Upon Completion, New Concept will become a wholly-owned subsidiary of the Company with its accounts continually being consolidated with that of the Group.

The Vendor is owned by Mr. Li Ningchuan who is a past director of Pacific Sheen. Mr. Li Ningchuan is a connected person of the Company and the Acquisition constitutes a connected transaction as defined under Chapter 14A of the Listing Rules. The Acquisition is therefore subject to the reporting, announcement and the Independent Shareholders’ approval at the SGM.

Accordingly, Mr. Li Ningchuan and his associates who are, in aggregate, interested in 4,341,194 Shares, representing approximately 0.19% of the total issued shares of the Company as at the Latest Practicable Date, are required to abstain from voting in respect of the Acquisition and the transaction contemplated thereunder at the forthcoming SGM.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

The principal factors and reasons we have taken into account in assessing the Agreement and in giving our advice to the Independent Board Committee and the Independent Shareholders are set out below:

#### *Reasons for the Acquisition*

The Group is principally engaged in the sales of information technology products and provision of customized information system consultancy and integration services, and information services. The Group has also been principally engaged in the design, manufacture and sale of electronic power meters and provision of management and automation solutions for the electric power industry upon completion of the Previous Transaction.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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In view of the booming China economy which in turn drives the need to replace the traditional mechanical meters with the more technologically advanced and automated electronic meters and solutions, the Directors are optimistic about the future prospect of the development and production of high-end and advanced electronic power meters and related automation systems which New Concept engaged in, the Acquisition represents a good opportunity to further increase its interests in New Concept and consolidate its interest in New Concept, thereby enabling it to consolidate a 100% of New Concept's financials into the financial statements of the Group.

It is noted that Mainland China has become the second largest energy-consumed country in the world following United States of America. To facilitate the fast development of the country, the central government of China has implemented a "China's 11th Five-Year Plan" policy (as known as "十一五規劃") last year. Establishing an energy saving society is one of the focuses to the China in the next five years plan according to such policy. Pursuant to which, the existing power supply distribution as well as the supply network are expected to be re-constructed throughout the country. In light of the above, the power, electricity and other related by-products would be benefited from such reconstruction. Besides, increases in numbers of property and commercial property in the PRC also drive the demand of high-end and advanced electronic power meters and related automation systems.

In view of that, we concur with the Directors that the future prospect of the business, which New Concept engaged in, is favorable.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### *Business review and financial position of the Group*

Set out below is the financial highlight of the audited consolidated financial information of the Group for each of the three years ended 31 December 2005, 2006 and 2007 and of the assets, liabilities and minority interests of the Group as extracted from the Company's respective annual reports for the two years ended 31 December 2005 and 2006 and the Company's results announcement for the year ended 31 December 2007 dated 18 April 2008 (the "Results Announcement 2007"):

	<b>For the year ended 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Turnover	438,763	473,122	779,605
Net profit before taxation	66,942	145,242	216,768
Net profit after taxation	62,304	133,600	192,521
Attributable to:			
Equity shareholders of the Company	62,304	133,600	184,276
Minority interests	–	–	8,245
	<b>As at 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Total assets	313,741	847,110	1,490,745
Total liabilities	(186,307)	(167,438)	(389,885)
Net assets	127,434	679,672	1,100,860
Attributable to:			
Equity shareholders of the Company	127,434	679,672	1,054,847
Minority interests	–	–	46,013

As stated in the Results Announcement 2007, the turnover and the net profit after taxation of the Group had a substantial increase, representing an increase of approximately 64.8% and 44.1% respectively as compared to the last corresponding year. Besides, the net asset value had shown that the financial position of the Group had strengthened in the past three years from approximately HK\$127.4 million as at 31 December 2005 to approximately HK\$1,100.9 million as at 31 December 2007.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As indicated in the Results Announcement 2007, the Group has actively sought opportunities for expansion. After the completion of the Previous Acquisition in July 2007, the Group has diversified its business to the electronic power meters and solutions industry. The Board is optimistic about the business of the New Concept in view of the booming China economy which in turn drives the need to replace the traditional mechanical meters with the more technologically advanced and automated electronic meters and solutions. Besides, the Board also believed that the New Concept will be able to leverage on the Group's management, sale and solution implementation experience, particularly in the areas of high-end solution execution, cooperation and development of the overseas market.

### INFORMATION ON NEW CONCEPT

New Concept became a 95% owned subsidiary of the Company upon completion of the Previous Acquisition. New Concept is principally engaged in the design, manufacture and sale of electronic power meters and provision of management and automation solutions for the electric power industry. The products are primarily used for measure the transfer of electricity between the power stations, power companies and residential or industrial users, and can be custom made according to the customers' requirements or specifications. New Concept has a sales network covering most of the provincial and municipal cities in the PRC and various patents registered in the PRC. Its subsidiaries had operated for more than a decade and is one of the largest suppliers of electronic power meters in the PRC.

New Concept has been focusing on the development and production of high-end and advanced electronic power meters and related automation systems that add values to its customers. In addition to producing high quality, high-end electronic power meters, the group also provides specialized management and automation solutions to its customers. Two of the subsidiaries of New Concept are recognised as "New and High Technology Enterprise (高新技術企業)" in the PRC and one of the subsidiaries of New Concept is recognised as one of the Forbes' "Top 100 Potential Enterprises in the PRC".

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following table summarises the audited combined financial information of the Hangzhou PAX Group and the audited consolidated financial information of the Pacific Sheen Group for the two years ended 31 December 2005 and 2006, and the unaudited consolidated financial information of the Hangzhou PAX Group and the Pacific Sheen Group for the year ended 31 December 2007, which are prepared in accordance with accounting principles generally accepted in Hong Kong:

### *Hangzhou PAX Group:*

	<b>For the year ended 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	313,502	394,579	292,856
Net profit before taxation	34,191	59,320	38,476
Net profit after taxation	36,672	43,345	29,698
	<b>As at 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net assets	166,651	164,761	150,461

### *Pacific Sheen Group:*

	<b>For the year ended 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Turnover	–	–	–
Net loss before taxation	(299)	(619)	(1,469)
Net loss after taxation	(299)	(619)	(1,469)
	<b>As at 31 December</b>		
	<b>2005</b>	<b>2006</b>	<b>2007</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net assets	3,478	3,815	3,836

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As illustrated in the above table, for the three years ended 31 December 2007, 2006 and 2005, the Hangzhou PAX Group and the Pacific Sheen Group, in aggregate, recorded turnover of approximately RMB292.9 million, RMB394.6 million and RMB313.5 million respectively and net profit after taxation of approximately RMB28.2 million, RMB42.7 million and RMB36.4 million respectively. As such, the Hangzhou PAX Group and the Pacific Sheen Group has had a proven profitability track record.

As at 31 December 2007, the Hangzhou PAX Group and the Pacific Sheen Group, in aggregate, recorded net asset value of approximately RMB154.3 million as compared to approximately RMB168.6 million as at 31 December 2006. As stated in the Board's Letter, save for its shareholding interest in the Hangzhou PAX Group and the Pacific Sheen Group and a shareholders' loan of HK\$260.9 million, New Concept has no other material assets and liabilities.

### *The principal terms of the Agreement*

Pursuant to the Agreement, the Company conditionally agreed to acquire from the Vendor the Sale Shares, representing 5% of the entire issued share capital of New Concept for an consideration of approximately HK\$15.5 million, which shall be paid by the Company to the Vendor by delivery of banker's draft upon fulfillment of the conditions of the Agreement at Completion.

As stated in the Board's Letter, the consideration of approximately HK\$15.5 million for the Acquisition was determined after arm's length negotiations between the parties with reference to acquisition price paid by the Company for interest in the Hualong Group under the Previous Transaction.

With reference to the Previous Transaction, the acquisition cost for the entire interest in the Hualong Group and the related shareholders' loan (the "Acquisition Cost") was determined with reference to the net assets of the Hualong Group as at 31 December 2006, the face value of the related shareholders' loans, the historical financial performance of the Hualong Group and the unaudited combined net profit of the Hualong Group for the year ended 31 December 2006 of approximately RMB40,000,000 and the consideration for the Company to dispose 5% of the issued share capital of the immediate holding company (being New Concept) of the Hualong Group of RMB15,032,500 (equivalent to approximately HK\$15.5 million based on the exchange rate as stated in the Completion Announcement) equals to 5% of the Acquisition Cost.

Notwithstanding that the turnover of the Hangzhou PAX Group and the Pacific Sheen Group, in aggregate, had recorded a decrease from approximately RMB394.6 million for the year ended 31 December 2006 to approximately RMB292.9 million for the year ended 31 December 2007, with reference to the Results Announcement 2007, the financial performance of the Hualong Group was affected by restructuring and reorganization conducted subsequent to the acquisition of 95% interest in the Hualong Group in July 2007 and an increase in research and development expenses for improving the quality of its existing products and

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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development of new series. Furthermore, we also note that as at 31 December 2007, the net asset value of the Hangzhou PAX Group and the Pacific Sheen Group, in aggregate, had recorded a decrease by approximately RMB14.3 million as compared to 31 December 2006 which was mainly attributable to the recognition of deferred tax liabilities of approximately RMB10.8 million as non-current liabilities. However, the cash and bank balance of the Hangzhou PAX Group and the Pacific Sheen Group, in aggregate, increased from approximately RMB48.1 million as at 31 December 2006 to RMB60.4 million as at 31 December 2007 while the total bank borrowings decreased from approximately RMB55.8 million as at 31 December 2006 to RMB22.0 million as at 31 December 2007 with the gearing ratio (defined as total bank borrowings divided by net asset value) decreased from approximately 0.33 to approximately 0.14. Given the restructuring and reorganization of the Hualong Group is transitional in nature, the increase in cash and bank balance and the decrease in gearing ratio of the Hangzhou PAX Group and the Pacific Sheen Group as at 31 December 2007 as compared to the last corresponding year, we are of the view that the consideration for the Acquisition with reference to the Previous Acquisition determined by the Board is fair and reasonable.

Having considered (i) it is a good opportunity to further expand the Group's equity stake in New Concept so as to take full control over the board; (ii) the proven profitability track record of the Hangzhou PAX Group and the Pacific Sheen Group; and (iii) the consideration for the Acquisition of approximately HK\$15.5 million (based on the exchange rate as stated in the Completion Announcement) approximates to the consideration for the disposal of 5% interest in the Hualong Group under the Previous Transaction, which is equal to 5% of the Acquisition Cost, we are of the view that the basis of consideration for the Acquisition is on normal commercial terms and is fair and reasonable so far as the Company and Independent Shareholders are concerned and the Acquisition is in the interests of the Company and the Shareholders as a whole.

### RECOMMENDATION

Having considered the above principal factors and reasons above, we consider that entering into the Agreement by the Group is in the interests of the Company and the Shareholders as a whole and the terms of the Acquisition are on a normal commercial terms and fair and reasonable so far as the Company and the Independent Shareholders as a whole are concerned, we, therefore advise the Independent Shareholders and the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the SGM to approve the Acquisition and the transaction contemplated under the Agreement.

Yours faithfully,  
For and on behalf of  
**Nuada Limited**  
**Po Chan**  
*Executive Director*

## 1. 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 herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporation(s) (within the meaning of Part XV of the SFO) which required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

#### *Interests in Shares*

<b>Name of Director</b>	<b>Capacity in which such interests are held</b>	<b>Number of Shares held</b> <i>(Note 1)</i>	<b>Approximate percentage of the issued share capital*</b> <i>(%)</i>
Mr. Kui Man Chun	Corporate and Personal <i>(Note 2)</i>	702,283,636(L)	31.46
Mr. Xu Wensheng	Personal	18,696,000(L)	0.84
Mr. Li Wenjin	Personal	26,400,000(L)	1.18
Mr. Xu Chang Jun	Personal	22,200,000(L)	0.99
Mr. Xu Sitao	Personal	700,000(L)	0.03
Mr. Chan Yiu Kwong**	Personal	8,548,000(L)	0.38

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the company had any interests or short position in the shares, underlying shares and debentures of the Company and its associated corporations.

**(b) Interests of substantial Shareholders**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (not being a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

<b>Name of Shareholder</b>	<b>Number of Shares held</b> <i>(Note 1)</i>	<b>Approximate percentage of the issued share capital*</b>
Rich Global Limited	677,083,636(L) <i>(Note 2)</i>	30.34%
Hi Sun Limited	677,083,636(L) <i>(Note 2)</i>	30.34%
Mr. Kui Man Chun	702,283,636 <i>(Note 2)</i>	31.46%

*Notes:*

1. The letter "L" denotes a long position in shares.
  2. Hi Sun Limited is interested in the 677,083,636 Shares by virtue of its 100% shareholding in Rich Global Limited, which directly holds the said Shares and 99.16% of all issued shares of Hi Sun Limited are held by Mr. Kui Man Chun. Aside from such corporate interest, Mr. Kui Man Chun is personally interested in 25,200,000 Shares.
- \* Such percentage is calculated based on the total issued number of shares of the Company as at the Latest Practicable Date.
- \*\* Mr. Chan Yiu Kwong has resigned as executive Director on 3 December 2007.

Save as disclosed herein, according to the register of interests kept by the Company under section 336 of the SFO and so far as was known to the Directors, there is no other person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had notified to the Company any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group or in any options in respect of such capital.



### 3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Company within one year without payment of compensation other than statutory compensation).

### 4. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or has given opinions, letters or advice contained in this circular:

<b>Name</b>	<b>Qualifications</b>
Nuada Limited	a deemed licensed corporation to carry out type 6 (advising on corporate finance) regulated activity as under the SFO

Nuada Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, Nuada Limited is not beneficially interested in the share capital of any member of the Group nor has any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did that have any interest, direct or indirect, in the assets which have been acquired or disposed of by or leased to any member of the Group since 31 December 2007, the date to which the latest published audited consolidated financial statements of the Group were made up.

### 5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors or their respective associates has any interests in a business, which competes or may compete with the business of the Group.

### 6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there is no any circumstance or event which may give rise to material adverse change in the financial or trading position of the Group since 31 December 2007, being the date to which the latest published audited consolidated financial statements of the Company were made up.

**7. DIRECTORS' INTERESTS IN CONTRACTS**

Save as disclosed herein, the Directors confirm that there is no contract or arrangement subsisting as at the Latest Practicable Date in which a Director was materially interested which was significant in relation to the business of the Group.

**8. DIRECTORS' INTERESTS IN ASSETS**

As at the Latest Practicable Date, none of the Directors has any interest, direct or indirect, in any assets which had been, since 31 December 2007, being the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

**9. GENERAL**

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.
- (b) The head office and principal office of the Company is at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.
- (c) The secretary of the Company is Mr. CHAN Yiu Kwong, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a fellow member of the Chartered Association of Certified Accountants in the United Kingdom.
- (d) The qualified accountant of the Company is Mr. CHAN Yiu Kwong, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a fellow member of the Chartered Association of Certified Accountants in the United Kingdom (as required under Rule 3.24 of the Listing Rules).
- (e) The branch share registrar of the Company in Hong Kong is Tengis Limited, Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong.
- (f) The English text of this circular shall prevail over the Chinese text.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the head office and principal place of business of the Company in Hong Kong at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong during 10:00 a.m. to 4:00 p.m. on any business day (excluding public and statutory holidays and Saturdays), from the date of this circular up to and including the date of the SGM:

- (a) the memorandum and articles of association of the Company;
- (b) the letter from the Board, the text of which is set out on pages 4 to 10 of this circular;

- (c) the Agreement;
- (d) the written consent of the expert referred to in the paragraph headed “Expert and consent” in this appendix; and
- (e) the annual reports of the Company for the two years ended 31 December 2006 and 2007.



**HI SUN TECHNOLOGY (CHINA) LIMITED**

**高陽科技(中國)有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 818)**

**NOTICE IS HEREBY GIVEN** that a special general meeting of Hi Sun Technology (China) Limited (the “Company”) will be held at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 14 May 2008 at 10:30 a.m. for the purpose of considering and, if thought fit, passing (with or without modification) the following as an ordinary resolution of the Company:

**ORDINARY RESOLUTION**

“**THAT:**

- (a) the conditional acquisition by the Company of 5% of the entire issued share capital of New Concept Services Limited (the “Acquisition”) at an aggregate consideration of HK\$15,534,256 to be satisfied by delivery of banker’s draft, subject to the terms and conditions of the agreement dated 8 April 2008 entered into between the Company and the vendor named therein (the “Agreement”) and the transactions incidental thereto or in connection therewith be approved, confirmed and ratified; and
- (b) any one director of the Company, so far as permissible under the bye-laws of the Company, be authorised to perform and execute all such matters and documents, with or without amendment and affixation of the common seal of the Company, relating, incidental to or in connection with the Acquisition and the transaction contemplated under the Agreement (including, without limitation, execution of the Agreement, and the approval for which is hereby confirmed and ratified) as such director may deem appropriate, necessary or expedient.”

By Order of the Board

**LI Wenjin**

*Executive Director*

Hong Kong, 28 April 2008

\* *For identification purpose only*

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## NOTICE OF SGM

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

Room 2416, 24th Floor

Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

*Notes:*

1. A form of proxy for use at the meeting is enclosed with the circular despatched on 28 April 2008 to the members of the Company.
2. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. The instrument appointing a proxy and 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 the principal place of business of the Company at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong 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.
5. 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.
6. Where there are joint holders of any share any one of such joint holder may vote, 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 be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.