



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 OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) 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 at 10:00 a.m. on Wednesday, 28 June 2006 for the purpose of considering and, if thought fit, passing with or without amendment the following resolutions which will be proposed as an ordinary resolution and special resolution:–

ORDINARY RESOLUTION

1. **“THAT:**

subject to and conditional upon the Listing Committee of the Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Subdivided Shares (as hereinafter defined) to be resulted from the Share Subdivision (as hereinafter defined), each of the existing issued and unissued shares of HK0.01 in the share capital of the Company be and is hereby subdivided into four shares of HK\$0.0025 each (the “Subdivided Shares”) with effect from the business day immediately following the day on which this resolution is passed (the “Share Subdivision”) and the directors of the Company be authorised to issue new share certificates in respect of the Subdivided Shares to holders of existing shares of the Company pursuant to the Share Subdivision and to do all things and execute all documents as they shall, in their absolute discretion, deem appropriate to effect and implement the Share Subdivision.”

SPECIAL RESOLUTION

2. **“THAT:**

- (i) subject to compliance with section 46 of the Companies Act 1981 of Bermuda and with effect from the date of the passing of this resolution (the “Effective Date”), the entire amount standing to the credit of the share premium account of the Company as at 31 December 2005 be cancelled (the “Share Premium Reduction”) and the directors of the Company be and are hereby authorized to apply part of the credit arising from the aforesaid reduction of the share premium account of the Company in the sum of HK\$57,431,000 to offset the accumulated losses of the Company in full and the remaining balance of the credit arising therefrom in the sum of HK\$43,125,000 be transferred to the contributed surplus account of the Company in accordance with the Bye-laws of the Company and all applicable laws (the “Application of Credit”); and
- (ii) the board of directors of the Company (the “Board”) be and is hereby authorised to do all other acts and things and take such action as may in the opinion of the Board be necessary desirable or appropriate to implement and give effect to the Share Premium Reduction and the Application of Credit.”

By Order of the Board
LI Wenjin
Executive Director

Hong Kong, 5 June 2006

* *For identification purpose only*

Notes:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any share any one of such joint holders 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 of members in respect of the joint holding.
- (3) A form of proxy for use at the meeting is enclosed with the circular to be despatched on 5 June 2006 to the members of the Company.
- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's principal place of business at Room 2416, 24th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (5) Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting if the member so desires.

As at the date hereof, the Board comprises eight executive directors, namely Cheung Yuk Fung, Kui Man Chun, Lo Siu Yu, Xu Wensheng, Li Wenjin, Chan Yiu Kwong, Xu Chang Jun and Zhou Jian; and three independent non-executive directors, namely Tam Chun Fai, Leung Wai Man, Roger and Xu Sitao.

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*