
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2002)

**PROPOSED GRANT OF THE SHARE BUY-BACK MANDATE AND
THE ISSUE MANDATE, RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (“AGM”) of China Sunshine Paper Holdings Company Limited (“Company”) to be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang, Shandong, China on 28 May 2015 at 10:00 a.m. is set out on pages 16 to 19 of this circular. Resolutions will be proposed at the AGM to consider and, if thought fit, to approve, among other matters, the grant of the Share Buy-back Mandate and Issue Mandate and the re-election of retiring Directors.

A proxy form is enclosed with this circular. Whether or not you are intending to attend and vote at the AGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed on such form to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong, Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event no later than 48 hours before the time appointed for the holding of the AGM or any adjournment of such meeting. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the AGM in person or any adjourned meeting, as the case may be, should you so desire.

* *For identification purposes only*

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RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

DEFINITIONS

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

“2014 Annual Report”	the annual report of the Company for the financial year ended 31 December 2014
“AGM”	the annual general meeting of the Company to be convened and held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang, Shandong, China, on 28 May 2015 at 10:00 a.m. or any adjournment, the notice of which is set out on pages 16 to 19 of this circular
“AGM Notice”	a notice dated 27 April 2015 convening the AGM as set out on pages 16 to 19 of this circular
“Articles”	the articles of association of the Company
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“China Sunrise”	China Sunrise Paper Holdings Limited (formerly known as China Sunshine Paper Holdings Limited), a company established under the laws of the Cayman Islands with limited liability on 3 April 2006, which is a wholly-owned subsidiary of China Sunshine and a controlling shareholder of the Company
“China Sunshine”	China Sunshine Paper Investments Limited (中國陽光紙業投資有限公司), a company established under the laws of the British Virgin Islands with limited liability on 14 March 2006 and which is wholly-owned by the Controlling Shareholders Group that includes certain Directors, namely, 王東興 (Mr. Wang Dongxing), 施衛新 (Mr. Shi Weixin), and 張增國 (Mr. Zhang Zengguo), and certain members of the senior management of the Group, namely, 陳效雋 (Mr. Chen Xiaojun) and 王長海 (Mr. Wang Changhai)
“Company”	China Sunshine Paper Holdings Company Limited (中國陽光紙業控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 22 August 2007, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands

DEFINITIONS

“Concert Parties Agreement”	an agreement entered into between the members of the Controlling Shareholders Group on 16 June 2006 and as amended by a supplemental agreement entered into by the same parties on 19 November 2007
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“Controlling Shareholders Group”	a group of 20 individuals comprising 王東興 (Mr. Wang Dongxing), 施衛新 (Mr. Shi Weixin), 王益瓏 (Mr. Wang Yilong), 吳蓉 (Ms. Wu Rong), 汪峰 (Mr. Wang Feng), 桑自謙 (Mr. Sang Ziqian), 桑永華 (Mr. Sang Yonghua), 王永慶 (Mr. Wang Yongqing), 陳效雋 (Mr. Chen Xiaojun), 鄭法聖 (Mr. Zheng Fasheng), 左希偉 (Mr. Zuo Xiwei), 馬愛平 (Mr. Ma Aiping), 李仲翥 (Mr. Li Zhongzhu), 李華 (Ms. Li Hua), 郭建林 (Mr. Guo Jianlin), 孫清濤 (Mr. Sun Qingtao), 陸雨杰 (Mr. Lu Yujie), 胡剛 (Mr. Hu Gang), 張增國 (Mr. Zhang Zengguo) and 王長海 (Mr. Wang Changhai)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue and deal with new Shares during the period as set out in Ordinary Resolution 8 of the AGM Notice of not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution approving the same
“Latest Practicable Date”	16 April 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	12 December 2007, the date on which dealings in the Shares on the Stock Exchange commenced
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Memorandum”	the memorandum of association of the Company

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“PRC” or “China”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus of the Company dated 29 November 2007
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) with par value of HK\$0.10 each in the share capital of the Company
“Share Buy-back Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to buy back the fully paid up Shares during the period as set out in Ordinary Resolution 7 of the AGM Notice of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of that resolution
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 19 November 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers in Hong Kong
“Target Entities”	China Sunshine, China Sunrise and any members of the Group
“%”	per cent

LETTER FROM THE BOARD



CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2002)

Executive Directors:

Mr. Wang Dongxing (*Chairman*)
Mr. Shi Weixin (*Vice Chairman*)
Mr. Ci Xiaolei (*General Manager*)
Mr. Zhang Zengguo (*Deputy General Manager*)

Non-executive Directors:

Mr. Wang Junfeng
Mr. Zhang Licong

Independent non-executive Directors:

Mr. Leung Ping Shing
Mr. Wang Zefeng
Ms. Jiao Jie

Registered office:

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

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

Changle Economic Development Zone
Weifang 262400
Shandong
China

Principal place of business in Hong Kong:

Rooms 801 & 803, 8/F.,
Beverly House
93-107 Lockhart Road
Wanchai
Hong Kong

27 April 2015

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

Dear Sir or Madam,

**PROPOSED GRANT OF THE SHARE BUY-BACK MANDATE AND
THE ISSUE MANDATE, RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

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

* *For identification purposes only*

LETTER FROM THE BOARD

At the AGM, resolutions will be proposed for the Shareholders to approve, among other matters, (i) the grant of the Share Buy-back Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors and the extension of the Issue Mandate as set out in the AGM Notice; and (iii) the re-election of retiring Directors, Mr. Ci Xiaolei, Mr. Wang Junfeng and Mr. Wang Zefeng.

SHARE BUY-BACK MANDATE

At the last annual general meeting of the Company held on 28 May 2014, a general mandate was granted to the Directors to exercise the powers of the Company to buy-back Shares. Such mandate will lapse at the conclusion of the AGM. Ordinary Resolution 7 will be proposed at the AGM to grant the Share Buy-back Mandate to the Directors. As at the Latest Practicable Date, the Company has an issued share capital of HK\$80,258,800 divided into 802,588,000 Shares with par value of HK\$0.10 each. Subject to the passing of Ordinary Resolution 7 approving the Share Buy-back Mandate and on the basis that none of the outstanding share options granted under the Share Option Scheme is exercised and no further Shares will be allotted or issued by the Company prior to the AGM, exercise of the Share Buy-back Mandate in full would result in up to a maximum of 80,258,800 Shares, representing 10% of the total number of Shares in issue and a share capital of HK\$8,025,880, to be bought back by the Company. An explanatory statement as required under the Listing Rules to provide the requisite information of the Share Buy-back Mandate is set out in Appendix I to this circular.

ISSUE MANDATE

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate in order to provide flexibility and discretion to the Directors to exercise the power of the Company to issue new Shares. As at the Latest Practicable Date, the Company has an issued share capital of HK\$80,258,800 divided into 802,588,000 Shares with par value of HK\$0.10 each. Subject to the passing of Ordinary Resolution 8 approving the Issue Mandate and on the basis that no further Shares will be issued or allotted by the Company prior to the AGM, the exercise of the Issue Mandate in full would result in up to a maximum of 160,517,600 Shares, representing 20% of the total number of Shares in issue and a share capital of HK\$16,051,760, being issued by the Company. The Issue Mandate will lapse on the earlier of (i) the conclusion of the next annual general meeting of the Company, (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Articles, or (iii) the date upon which the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company. In addition, Ordinary Resolution 9 will also be proposed to extend the Issue Mandate by adding to it the number of such Shares bought back under the Share Buy-back Mandate.

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Ci Xiaolei and Mr. Zhang Zengguo, the non-executive Directors were Mr. Zhang Licong and Mr. Wang Junfeng and the independent non-executive Directors were Mr. Leung Ping Shing, Mr. Wang Zefeng and Ms. Jiao Jie.

LETTER FROM THE BOARD

Pursuant to Articles 87(1) and (2) of the Articles, Mr. Ci Xiaolei, Mr. Wang Junfeng and Mr. Wang Zefeng shall retire from office. Mr. Ci Xiaolei, Mr. Wang Junfeng and Mr. Wang Zefeng being eligible for re-election, will offer themselves for re-election at the AGM.

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

AGM

A notice convening the AGM to be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang, Shandong, China on 28 May 2015 at 10:00 a.m., is set out on pages 16 to 19 of this circular.

ACTIONS TO BE TAKEN

A proxy form for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed on such form and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event no later than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting. Such proxy form for use at the AGM is also published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.sunshinepaper.com.cn. Completion and return of the proxy form will not preclude you from attending and voting at the AGM in person or any adjourned meeting, as the case may be, should you so desire.

VOTING BY POLL AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll except where, the chairman, in good faith decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. The chairman of the meeting will demand a poll for all resolutions put to the vote at the AGM pursuant to Article 66 of the Articles. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

At the AGM, resolutions will be proposed for the Shareholders to approve, among other matters, (i) the grant of the Share Buy-back Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors and the extension of the Issue Mandate as set out in the AGM Notice; and (iii) the re-election of retiring Directors, Mr. Ci Xiaolei, Mr. Wang Junfeng and Mr. Wang Zefeng.

The Directors consider that (i) the grant of the Share Buy-back Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors and the extension of the Issue Mandate as set out in the AGM Notice; and (iii) the re-election of retiring Directors, Mr. Ci

LETTER FROM THE BOARD

Xiaolei, Mr. Wang Junfeng and Mr. Wang Zefeng are in the best interests of the Company, the Group and the Shareholders as a whole and accordingly recommend all Shareholders to vote in favour of the corresponding resolutions to be proposed at the AGM respectively.

DOCUMENTS AVAILABLE FOR INSPECTION

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

- (i) the Memorandum and the Articles; and
- (ii) this circular.

GENERAL

In case of any discrepancies between the Chinese and English versions of this circular, the English version shall prevail.

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

This appendix serves as an explanatory statement as required under the Listing Rules to provide the requisite information to you for consideration of the Share Buy-back Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 802,588,000 Shares in issue or an issued share capital of HK\$80,258,800.

Subject to the passing of the proposed Ordinary Resolution 7 approving the Share Buy-back Mandate and on the basis that none of the outstanding share options is exercised and no further Shares is issued, allotted or repurchased by the Company prior to the AGM, the exercise of the Share Buy-back Mandate in full would result in up to a maximum of 80,258,800 Shares, representing 10% of the total number of Shares in issue and a share capital of HK\$8,025,880 to be bought back by the Company. The Share Buy-back Mandate will lapse during the period ending on the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the date by which the next annual general meeting of the Company is required to be held by law or the Articles; or
- (iii) the date upon which the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

REASONS FOR SHARE BUY-BACK

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

FUNDING OF SHARE BUY-BACK

The Directors propose that the buy back of Shares under the Share Buy-back Mandate would be financed from internal resources of the Company.

In buying back the Shares, the Company may only apply funds legally available for such purposes in accordance with the Memorandum, the Articles and the applicable laws of the Cayman Islands. Under the laws of the Cayman Islands, share buy-back by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or

purchase over the par value of the Shares to be bought back must be provided for out of the profits or share premium account of the Company, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of the capital of the Company.

The exercise of the Share Buy-back Mandate in full will not have a material adverse impact on the working capital or the gearing level of the Company, as compared with the position disclosed in the latest published audited consolidated financial statements of the Group contained in the 2014 Annual Report.

The Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing level of the Company, as compared with the position disclosed in the latest published audited consolidated financial statements of the Group contained in the 2014 Annual Report, which in the opinion of the Directors are from time to time appropriate for the Company. The number of the Shares to be repurchased on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the then pertaining circumstances.

SHARE PRICES

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

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
April	0.76	0.64
May	0.72	0.67
June	0.71	0.67
July	0.88	0.66
August	0.86	0.79
September	0.85	0.74
October	0.79	0.71
November	0.78	0.71
December	0.74	0.58
2015		
January	0.65	0.55
February	0.59	0.55
March	0.59	0.53
April (up to the Latest Practicable Date)	0.92	0.56

Disclosure of interests

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

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the Share Buy-back Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries (as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)).

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

Takeovers Code

If a Shareholder's proportionate interest in the voting rights of the Company increases when the Company exercises its powers to buy back Shares pursuant to the Share Buy-back Mandate, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

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

Name	<i>Notes</i>	Number of Shares interested	Nature of interest	Total number of Shares	Percentage of the Company's issued share capital
China Sunrise		325,387,052	Beneficial Owner	325,387,052	40.54
China Sunshine	1	325,387,052	Interest of a controlled corporation	325,387,052	40.54
Controlling Shareholders Group (except Mr. Wang Dongxing and Mr. Wang Changhai)	2	325,387,052	Interests of a party to an agreement to acquire interests in the Company		

Name	Notes	Number of Shares interested	Nature of interest	Total number of Shares	Percentage of the Company's issued share capital
	2	6,293,500	Interest of a party to an agreement to acquire interests in the Company apart from such agreement	331,680,552	41.33
Wang Dongxing		5,663,500	Beneficial Owner		
	2	325,387,052	Interests of a party to an agreement to acquire interests in the Company		
	3	630,000	Interest of a party to an agreement to acquire interests in the Company apart from such agreement	331,680,552	41.33
Wang Changhai		630,000	Beneficial Owner		
	2	325,387,052	Interests of a party to an agreement to acquire interests in the Company		
	4	5,663,500	Interest of a party to an agreement to acquire interests in the Company apart from such agreement	331,680,552	41.33
Prime Capital Management Company Limited	5	132,141,848	Interest of funds managed by the investment manager	132,141,848	16.46

Notes:

1. As China Sunshine owns the entire interest in China Sunrise, China Sunshine is deemed to be interested in the 325,387,052 Shares held by China Sunrise.
2. The members of the Controlling Shareholders Group entered into an agreement on 16 June 2006 and as amended by a supplemental agreement on 19 November 2007 (the "Concert Parties Agreement"), pursuant to which each of the members of the Controlling Shareholders Group has confirmed that, among other matters, since he or she became interested in and possessed voting rights in the Target Entities and participated in the management of the business of the Target Entities, each of them has been actively cooperating with each other and has been acting in concert (for the purpose the Takeovers Code), with an aim to achieve consensus and concerted action on major affairs relating to the business of the Target Entities. In addition, each of the members of the Controlling Shareholders

Group has also agreed to keep the other members informed of their direct or indirect interest in the Target Entities or changes to such interest, so as to ensure due and prompt compliance of all applicable laws and regulations on disclosure of securities interests by Shareholders. As China Sunrise is wholly-owned by China Sunshine, and China Sunshine is wholly-owned by the Controlling Shareholders Group, each of China Sunshine and members of the Controlling Shareholders Group (for the purpose of the Takeovers Code), including Mr. Wang Dongxing, Mr. Shi Weixin and Mr. Zhang Zengguo, is deemed to be interested in the same 325,387,052 Shares held by China Sunrise. Further, Mr. Wang Dongxing is interested in 5,663,500 Shares and Mr. Wang Changhai is interested in 630,000 Shares as beneficial owners. Other members of the Controlling Shareholders Group, being parties to the Concert Parties Agreement, are deemed to be interested in such shares held by Mr. Wang Dongxing and Mr. Wang Changhai under section 318 of the SFO.

3. Mr. Wang Dongxing is deemed to be interested in the 630,000 Shares held by Mr. Wang Changhai under section 318 of the SFO, being party to the Concert Parties Agreement.
4. Mr. Wang Changhai is deemed to be interested in the 5,663,500 Shares held by Mr. Wang Dongxing under section 318 of the SFO, being party to the Concert Parties Agreement.
5. Prime Capital Management Company Limited is the investment manager of certain funds which are interested in a total of 132,141,848 Shares.

In the event that the Directors should exercise the Share Buy-back Mandate in full to buy back the Shares, the aggregate shareholding of the Controlling Shareholders Group will be increased to approximately 45.92% of the issued share capital of the Company, resulting in an obligation on the part of the Controlling Shareholders Group to make a general offer under the Takeovers Code. However, the Directors have no present intention to exercise the Share Buy-back Mandate to the extent that the obligation to make a general offer on the part of the above-mentioned substantial Shareholders will be triggered.

Assuming that there is no further issue of the Shares between the Latest Practicable Date and the date of share buy-backs, the exercise of the Share Buy-back Mandate in full will not result in less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. In any event, the Directors have no present intention to exercise the Share Buy-back Mandate to the extent that less than 25% of the issued share capital of the Company will be held by the public.

SHARES BOUGHT BACK BY THE COMPANY

The Company had not bought back any of its Shares, whether on the Stock Exchange or otherwise, during the previous six months preceding the Latest Practicable Date.

RETIRING DIRECTORS SUBJECT TO RE-ELECTION**Mr. Ci Xiaolei**

Mr. Ci Xiaolei, aged 39, is an executive Director, the general manager and the general engineer of our Group, and is responsible for the production management of our Group. Mr. Ci was appointed as a Director on 24 May 2012. Mr. Ci is also the general manager of Shandong Century Sunshine Paper Group Co., Ltd. (山東世紀陽光紙業集團有限公司), a subsidiary of the Company, since March 2012. Mr. Ci joined our Group in 2003. Mr. Ci graduated from Anhui University of Technology and Science with a Bachelor of Engineering in 1998. Mr. Ci has been the project manager, deputy general engineer and general engineer of the production facilities of our Group. Prior to joining the Group, Mr. Ci worked at Shandong Chenming Paper Industry Group Co., Ltd. and was responsible for equipment management and maintenance.

Length of service

Pursuant to the existing service agreement between Mr. Ci and the Company, the appointment of Mr. Ci was for a fixed term of three years commencing on 24 May 2012.

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

Mr. Ci does not have any relationship with any Director, senior management, substantial or controlling Shareholders of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Ci is interested in 1,440,000 Shares for the purposes of the SFO.

Amount of emoluments

The current emolument payable to Mr. Ci comprises director's fees of RMB50,000 per year and an annual bonus and allowance (other than discretionary bonus) of RMB456,000, and may, subject to the discretion of the Directors, be reviewed from time to time.

Other information

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

Mr. Wang Junfeng

Mr. Wang Junfeng, aged 41, is a non-executive Director and he joined our Group in May 2009. Mr. Wang was appointed as a Director on 26 May 2009. He is currently the managing director of Legend Capital Management Limited (北京君聯資本管理有限公司)

and is responsible for investment management. Mr. Wang has been a director of Hiconics Drive Technology Co., Ltd (SHE: 300048) (北京合康億盛變頻科技股份有限公司), a company listed on the Shenzhen Stock Exchange since March 2009. Prior to joining Legend Capital Management Limited in 2004, Mr. Wang worked in Lenovo Group Limited (聯想集團有限公司) between 1997 and 2001 and in Beijing Building Material Group (北京金隅集團) between 1995 and 1997. He obtained a Bachelor's degree majoring in Chemistry in Lanzhou University (蘭州大學) in 1995 and an MBA degree majoring in finance from McMaster University of Canada in 2004.

Length of service

Pursuant to the existing letter of appointment between Mr. Wang and the Company, the appointment of Mr. Wang was for a period of three years commencing on 12 December 2013.

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

Mr. Wang does not have any relationship with any Director, senior management, substantial or controlling Shareholders of the Company.

Interests in shares

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

Amount of emoluments

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

Other information

Save as disclosed above, Mr. Wang has not been a director of any other company listed in Hong Kong or overseas for the last three years. Save as disclosed above, Mr. Wang has no information to be disclosed pursuant to Rules 13.51(2)(h) to (w) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Wang Zefeng

Mr. Wang Zefeng, aged 54, is an independent non-executive Director. Mr. Wang joined our Group in 2007 and was appointed as a Director on 19 November 2007. Mr. Wang is also the chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee of our Board. Mr. Wang graduated from Shandong Institute of Light Industry in 1982 with a Bachelor's degree in industrial art of pulp and paper manufacturing. He is currently the principal of Shandong Papermaking Industry Research and Design Institute. He is also the vice chairman of Shandong Paper

Manufacturing Industry Association, Shandong Light Industry Machinery Association and Shandong Packaging Printing Association. He previously served as the deputy general manager, chief engineer and senior engineer of Shandong Paper Industry Group.

Length of service

Pursuant to the existing letter of appointment between Mr. Wang and the Company, the appointment of Mr. Wang was for a term of three years commencing on 12 December 2013.

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

Mr. Wang does not have any relationship with any Director, senior management, substantial or controlling Shareholders of the Company.

Interests in shares

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

Amount of emoluments

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

Other information

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

NOTICE OF AGM

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CHINA SUNSHINE PAPER HOLDINGS COMPANY LIMITED

中國陽光紙業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2002)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“Meeting”) of China Sunshine Paper Holdings Company Limited (the “Company”) will be held at China Sunshine Paper Office Tower, Changle Economic Development Zone, Weifang, Shandong, China, on 28 May 2015 at 10:00 a.m. for the following purposes:

As ordinary business

ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors of the Company (the “Directors”) and the auditors of the Company (the “Auditors”) for the year ended 31 December 2014.
2. To re-elect Mr. Ci Xiaolei as an executive director of the Company (the “Director”).
3. To re-elect Mr. Wang Junfeng as a non-executive Director.
4. To re-elect Mr. Wang Zefeng as an independent non-executive Director.
5. To authorise the board of directors of the Company (the “Board”) to fix the remuneration of the Directors.
6. To re-appoint Deloitte Touche Tohmatsu as the Auditors and to authorise the Board to fix their remuneration.

* *For identification purposes only*

NOTICE OF AGM

As special business

ORDINARY RESOLUTIONS

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

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back issued shares with par value of HK\$0.10 each in the share capital of the Company subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) or of any other stock exchange as amended from time to time and the manner of any such buy-back be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined below) to procure the Company to buy back its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the shares of the Company which are authorised to be bought back by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

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

NOTICE OF AGM

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

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined below) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as defined below);
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” shall have the same meaning as ascribed to it under resolution no. 7 as set out in the notice convening the Meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

NOTICE OF AGM

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

“**THAT** conditional upon the passing of resolutions nos. 7 and 8 as set out in the notice convening the Meeting, the general mandate granted to the Directors pursuant to resolution no. 8 as set out in the notice convening the Meeting be and is hereby extended by the addition of an amount representing the aggregate nominal amount of share capital of the Company bought back by the Company under the authority granted pursuant to resolution no. 7 as set out in the notice convening the Meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

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

Weifang, China, 27 April 2015

Notes:

1. The register of members of the Company will be closed from 26 May 2015 to 28 May 2015, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be entitled to attend and vote at the Meeting, shareholders of the Company must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, no later than 4:30 pm on 22 May 2015.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his or her proxy to attend and vote on his or her behalf. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
3. Where there are joint registered holders of any shares of the Company, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he or she was solely entitled to do so. However, if more than one of such joint holders be present at any Meeting personally or by proxy, the joint holder whose name stands first on the register of members of the Company in respect of the relevant joint holding shall alone be entitled to vote in respect of such joint holding.
4. In order to be valid, a proxy form in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, no later than 48 hours before the time fixed for holding the annual general meeting or any adjournment of such meeting.
5. Please refer to Appendix II to the circular of the Company dated 27 April 2015 for the details of the retiring Directors subject to re-election at the Meeting.

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

Executive Directors: Mr. Wang Dongxing, Mr. Shi Weixin, Mr. Ci Xiaolei and Mr. Zhang Zengguo

Non-executive Directors: Mr. Zhang Licong and Mr. Wang Junfeng

Independent non-executive Directors: Mr. Leung Ping Shing, Mr. Wang Zefeng and Ms. Jiao Jie