

CHINA SOLAR ENERGY HOLDINGS LIMITED

華基光電能源控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock code: 155)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China Solar Energy Holdings Limited (the "Company") will be held at Falcon Room II, Basement, Luk Kwok Hotel, 72 Gloucester Road, Wanchai, Hong Kong on Thursday, 31 August 2006 at 10:30 a.m. for the following purposes:-

1. To receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2006.
2. To re-elect retiring directors whose brief biographical details are set out in Appendix II of the circular of the Company dated 8 August 2006.
3. To authorize the board of directors to fix the remuneration of directors.
4. To re-appoint auditors and to authorize the board of directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without amendments, the following resolutions as an Ordinary Resolutions:-

5. "THAT:-

(1) subject to paragraphs (2) and (3) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (4) of this resolution) of all the powers of the Company to repurchase securities of the Company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") or on any other stock exchange on which the securities of the Company may be listed and is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(2) the aggregate nominal amount of shares to be purchased by the Company pursuant to the approval in paragraph (1) of this resolution shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;

(3) the aggregate amount of subscription rights attached to the warrants to be purchased by the Company pursuant to the approval in paragraph (1) above shall not exceed 10 per cent of the aggregate amount of subscription rights attached to such warrants outstanding at the date of passing this resolution, and the said approval shall be limited accordingly; and

(4) for the purposes of this resolution:-

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:-

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Company's Bye-laws to be held."

6. "THAT:-

(1) subject to paragraph (3) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (4) of this resolution) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements or options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(2) the approval in paragraph (1) of this resolution shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;

(3) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (1) of this resolution, otherwise than pursuant to:-

- (i) a Rights Issue (as defined in paragraph (4) of this resolution);
- (ii) the exercise of any option under any option scheme or similar arrangement for the time being adopted for the grant or issue to relevant eligible participants of shares or rights to acquire shares of the Company;
- (iii) the exercise of subscription rights or conversion rights attaching to the warrants issued by the Company or any securities which are convertible into shares of the Company and from time to time outstanding; or

(iv) 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 Bye-laws of the Company,

shall not exceed 20 per cent 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;

(4) for the purposes of this resolution:-

"Relevant Period" shall have the same meaning as in resolution no. 5(4) above; and

"Rights Issue" means the allotment, issue or grant of shares pursuant to an offer of shares or other securities of the Company open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to overseas shareholders or fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside the Hong Kong Special Administrative Region of the People's Republic of China)."

7. "THAT conditional upon the passing of resolutions nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution."

8. "THAT subject to and conditional upon the Listing Committee of the Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the shares in the share capital of the Company to be issued pursuant to the exercise of options to be granted under the Share Option Scheme adopted by the Company on 29 July 2002 (the "Share Option Scheme") and any other share option scheme(s) of the Company, the refreshment of the limit in respect of the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme (excluding options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) to the extent of up to 10 per cent of the total number of the shares of the Company in issue as at the date of passing of this resolution be and is hereby approved and that the directors of the Company be and are hereby authorized to do all such acts and things and execute all such documents to give effect to the foregoing arrangement and to grant options up to the refreshed limit and to exercise all powers of the Company to allot, issue or otherwise deal with the shares of the Company pursuant to the exercise of such options."

By order of the board
Pierre Seligman
Managing Director

Hong Kong, 8 August 2006

As at the date hereof, the chairman and non-executive director of the Company is Dr Zoltan J. Kiss, The executive directors of the Company are Mr Pierre Seligman, Mr Chu Chik Ming Jack and Mr Chan Wai Kwong Peter. The independent non-executive directors of the Company are Mr Chow Siu Ngor, Mr Yin Tat Man and Mr Tam Kam Biu William.

Notes:-

1. Every shareholder 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 shareholder of the Company.
2. Where there are joint registered holders of any shares of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such shares as if he was solely entitled thereto provided that if more than one of such joint holders be present at the meeting personally or by proxy that one of the said persons so present whose name stands first on the register of shareholders in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited with the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof.

* For identification purpose only