

KELON 科龙

GUANGDONG KELON ELECTRICAL HOLDINGS COMPANY LIMITED

廣東科龍電器股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0921)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the first 2007 extraordinary general meeting (the "EGM") of Guangdong Kelon Electrical Holdings Company Limited (the "Company") will be held at the conference room on the Company's head office, Shunde District, Foshan City, Guangdong Province, the People's Republic (the "PRC") on 4 January 2007 at 9:30 a.m. to review and, if thought fit, pass the following as ordinary resolutions:—

- (1) To consider and approve the appointment of Mr. Yang Yun Duo (Note 1) as an executive director of the sixth board of directors (the "Board") of the Company; and
- (2) To consider and approve the appointment of Mr. Wang Shi Lei (Note 2) as an executive director of the sixth Board of the Company.

SUSPENSION OF TRADING IN THE H SHARES

At the request of the Company, trading in the H shares was suspended with effect from 10:00 a.m. on 16 June 2005 pending the release of an announcement in relation to price sensitive information. Subject to the further announcements in relation to, amongst others, the financial, production and trading position of the Group, and the satisfaction by the Stock Exchange of Hong Kong Limited of the adequacy of the internal control measures of the Company, trading in the H Shares will remain suspended until further notice.

By Order of the Board of
Guangdong Kelon Electrical Holdings Company Limited
Tang Ye Guo
Chairman

Foshan City, Guangdong, the PRC, 14 November 2006

As at the date of this announcement, the Company's executive directors are Mr. Tang Ye Guo, Ms. Yu Shu Min, Mr. Xiao Jian Lin and Mr. Lin Lan; and the Company's independent non-executive directors are Mr. Zhang Sheng Ping, Mr. Lu Qing and Mr. Cheung Yui Kai, Warren.

Notes:

- (1) Mr. Yang Yun Duo, aged 50, a member of the Chinese Communist Party, university graduate. Mr. Yang has successively served as a manager of the sales company of 青島海信電器股份有限公司 (Qingdao Hisense Electric Co., Ltd) from May 2000 to January 2001; the deputy general manager of 青島海信電器股份有限公司 (Qingdao Hisense Electric Co., Ltd.) from January 2001 to August 2002; the deputy general manager of 青島海信空調有限公司 (Qingdao Hisense Air-Conditioner Company Limited) from August 2002 to July 2003; the general manager and party committee secretary of 青島海信營銷有限公司 (Qingdao Hisense Marketing Company Limited) from July 2003 to January 2004; an assistant to the president of 海信集團有限公司 (Hisense Group Company) and the general manager and party committee secretary of 青島海信營銷有限公司 (Qingdao Hisense Marketing Company Limited) from January 2004 to January 2006; and the vice president of 海信集團有限公司 (Hisense Group Company) from January 2006 to date.

Save as disclosed herein, Mr. Yang has not held any directorship in public listed companies in the past three years and is not connected with any directors, senior management, substantial or controlling shareholder or effective controller of the Company. Mr. Yang does not hold any shares in the Company and has never been subject to any disciplinary action by the China Securities Regulatory Commission, other relevant authorities or stock exchanges. Mr. Yang confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules of the Stock Exchange of Hong Kong Limited and there are no matters that need to be brought to the attention of the shareholders of the Company.

Mr. Yang is to stand for election as an executive director of the Company for a term commencing from the date of his appointment at the general meeting and terminating on the expiration of the sixth Board of the Company. The issue relating to his emoluments as the executive director of the Company is still under negotiation and the Company will make timely disclosure in respect thereof.

- (2) Mr. Wang Shi Lei, aged 39, a communist member, an engineer and a university graduate. He is currently studying EMBA. Mr. Wang has successively served as the deputy general manager and general manager of 青島海信空調有限公司 (Qingdao Hisense Air-Conditioner Company Limited) from April 1996 to December 2001; the standing deputy general manager of 青島海信通信有限公司 (Qingdao Hisense Communications Company Limited) from January 2002 to June 2002; the general manager of 海信(北京)電器有限公司 (Hisense (Beijing) Electrical Appliances Company Limited) from July 2002 to December 2003; the general manager of 青島海信電器股份有限公司 (Qingdao Hisense Electric Co., Ltd.) from January 2004 to January 2006; the general manager of 青島海信網絡科技股份有限公司 (Qingdao Hisense Network Technology Company Limited) from February 2006 to date; and also an assistant to the president of 海信集團有限公司 (Hisense Group Company) from April 2006 to date.

Save as disclosed herein, Mr. Wang has not held any directorship in public listed companies in the past three years and is not connected with any directors, senior management, substantial or controlling shareholder or effective controller of the Company. Mr. Wang does not hold any shares in the Company and has never been subject to any disciplinary action by the China Securities Regulatory Commission, other relevant authorities or stock exchanges. Mr. Wang confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules of the Stock Exchange of Hong Kong Limited and there are no matters that need to be brought to the attention of the shareholders of the Company.

Mr. Wang is to stand for election as an executive director of the Company for a term commencing from the date of his appointment at the general meeting and terminating on the expiration of the Board. If elected, Mr. Wang will not be entitled to any remuneration or emoluments as the executive director of the Company.

- (3) As effective from 14 November 2006, Mr. Su Yu Tao has resigned as the executive director of the Board of the Company due to the reason of changes in work allocation. Mr. Su confirms to the Board of the Company that he has no disagreement with the Board and there are no matters that needs to be brought to the attention of the shareholders of the Company or to the Stock Exchange of Hong Kong Limited (the "Stock Exchange").
- (4) As effective from 12 November 2006, Mr. Zhang Ming has resigned as the executive director of the Board of the Company due to personal reason. Mr. Zhang confirms to the Board of the Company that he has no disagreement with the Board and there are no matters that needs to be brought to the attention of the shareholders of the Company or to the Stock Exchange.
- (5) H shares shareholders intending to attend the EGM shall give written reply slip, as attached, to the Company, which shall be lodged at the registered office of the Company on or before 14 December 2006. To qualify for attendance at the EGM, all H shares shareholders transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Hong Kong Registrars Limited of Rooms 1712-1716, 17/F Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:00 p.m. on 4 December 2006 for registration.
- (6) Shareholders entitled to attend and vote at the EGM are entitled to appoint one or more persons (whether or not a shareholder of the Company) as their proxy to attend and vote on behalf of themselves.
- (7) Notice of the holders of domestic shares and H shares of the Company whose names appear on the register of members of the Company as at or before the close of business of Monday, 4 December 2006 (including holders of H Shares of the Company who have submitted verification transfer forms on or before 4 December 2006) will be entitled to attend the EGM. The register of members of the Company will be closed from 5 December 2006 (Tuesday) to 4 January 2007 (Thursday) (both days inclusive).

- (8) In order to be valid, the form of proxy, together with a duly notarised power of attorney or other document of authority, if any, under which the form is signed must be deposited at the registered office of the Company not later than 24 hours before the time for holding the EGM.
- (9) The registered address of the Company is: No. 8 Ronggang Road, Ronggui Street, Shunde District, Foshan City, Guangdong Province.
Postal code: 528303
Tel: (86) 757 2836 2570
Fax (85) 757 2836 1055
Contact person: Ms. Li Lin, Mr. Lv Yan Song, Mr. Mei Shi Liang

“Please also refer to the published version of this announcement in China Daily”