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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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED**, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Hisense 海信科龙
HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED
海信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: 00921)

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the third 2010 extraordinary general meeting (the "EGM") of Hisense Kelon Electrical Holdings Company Limited (the "Company") to be held at the conference room of the Company's head office, Shunde District, Foshan City, Guangdong Province, the People's Republic of China (the "PRC") on 16 August 2010 at 9:30 a.m.. is set out on pages 5 to 7 of this circular. If you are not able to attend the EGM in person, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and deliver the same to the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof if you so wish.

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DEFINITIONS

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

“EGM”	the third 2010 extraordinary general meeting of the Company to be held at the conference room of the Company’s head office, Shunde District, Foshan City, Guangdong Province, the PRC on 16 August 2010 at 9:30 a.m., the notice of which is set out on pages 5 to 7 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	Hisense Kelon Electrical Holdings Company Limited (海信科龍電器股份有限公司), a company incorporated in the PRC with limited liability, the shares of which are listed on the main board of the Stock Exchange and the Shenzhen Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange

LETTER FROM THE BOARD

Hisense 海信科龙

HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED

海信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: 00921)

Directors:

Mr. Tang Ye Guo
Mr. Zhou Xiao Tian
Ms. Yu Shu Min
Mr. Lin Lan
Ms. Liu Chun Xin
Mr. Zhang Ming

Registered office:

No. 8 Ronggang Road
Ronggui Street
Shunde District
Foshan City
Guangdong Province
PRC

Independent non-executive Directors:

Mr. Zhang Sheng Ping
Mr. Lu Qing
Mr. Cheung Yui Kai, Warren

Principal place of business

in Hong Kong:
Room 3104-06
Singa Commercial Centre
No. 148 Connaught Road West
Hong Kong

28 June 2010

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF THE THIRD 2010 EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the EGM and to provide you with information regarding the special resolution to be proposed at the EGM in relation to the proposed amendments to the Articles of Association.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Due to the Company's business development needs, it is proposed that the business scope of the Company shall include "recycling and dismantling of waste household electrical appliance products", and the corresponding articles of the Articles of Association shall be amended.

Accordingly, Article 2.2 of the Articles of Association:

"The business scope of the Company: development and manufacturing of household appliances such as refrigerators, domestic and overseas sales of products and provision of after-sale services, transportation of own products.

The business scope of the Company is subject to the same being approved by the industry and commerce administration authorities. The Company may, upon approval by the examination and approval authorities, timely adjust its business scope and mode of operation and establish branches in the PRC and overseas, based on changes in market conditions and its own business needs."

shall be amended as:

"The business scope of the Company: development and manufacturing of household appliances such as refrigerators, domestic and overseas sales of products and provision of after-sale services, transportation of own products; recycling and dismantling of waste household electrical appliance products.

The business scope of the Company is subject to the same being approved by the industry and commerce administration authorities. The Company may, upon approval by the examination and approval authorities, timely adjust its business scope and mode of operation and establish branches in the PRC and overseas, based on changes in market conditions and its own business needs."

Effects of the proposed amendments:

The proposed amendments to the Articles of Association will enable the Company to meet its business development needs.

EGM

The notice of the EGM is set out on pages 5 to 7 of this circular. At the EGM, a special resolution will be proposed for approving the proposed amendments to the Articles of Association by the shareholders of the Company.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular. To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon, and must be lodged, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time appointed for holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting at the EGM or any adjournment thereof if they so wish.

VOTING BY POLL

In accordance with Article 8.27 of the Articles of Association, a poll may be demanded in any general meeting of the Company by:

- (A) the chairman of the meeting; or
- (B) at least two shareholders with voting rights or their proxies or
- (C) one or more shareholder(s) (including their proxies) representing, individually or in aggregate, 10% or more of all shares carrying the voting rights at the general meeting.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes casted at the EGM will be taken by poll and it is contemplated the chairman of the meeting will make such demand at the EGM and will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Board is of the opinion that the resolution to be proposed at the EGM in relation to the proposed amendments to the Articles of Association is in the best interests of the Company and its shareholders as a whole. Accordingly, the Board recommends the shareholders to vote in favor of the resolution to be proposed at the EGM as set out in the notice of the EGM.

Yours faithfully,

By Order of the Board of

Hisense Kelon Electrical Holdings Company Limited

Tang Ye Guo

Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

Hisense 海信科龙

HISENSE KELON ELECTRICAL HOLDINGS COMPANY LIMITED

海信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: 00921)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the third 2010 extraordinary general meeting (the “EGM”) of Hisense Kelon Electrical Holdings Company Limited (the “Company”) will be held at the conference room of the Company’s head office, Shunde District, Foshan City, Guangdong Province, the People’s Republic of China (the “PRC”) on 16 August 2010 at 9:30 a.m. to review and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

‘THAT the articles of association of the Company (the “**Articles of Association**”) be amended by deleting the existing provisions in Article 2.2 of the Articles of Association as stated below:

“Article 2.2 The business scope of the Company: development and manufacturing of household appliances such as refrigerators, domestic and overseas sales of products and provision of after-sale services, transportation of own products.

The business scope of the Company is subject to the same being approved by the industry and commerce administration authorities. The Company may, upon approval by the examination and approval authorities, timely adjust its business scope and mode of operation and establish branches in the PRC and overseas, based on changes in market conditions and its own business needs.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

and substituting therefor the following:

“Article 2.2 The business scope of the Company: development and manufacturing of household appliances such as refrigerators, domestic and overseas sales of products and provision of after-sale services, transportation of own products; recycling and dismantling of waste household electrical appliance products.

The business scope of the Company is subject to the same being approved by the industry and commerce administration authorities. The Company may, upon approval by the examination and approval authorities, timely adjust its business scope and mode of operation and establish branches in the PRC and overseas, based on changes in market conditions and its own business needs.”

and to authorize the Board of the director of the Company to deal with the relevant filings, amendments and registration (where necessary) procedures and other related issues arising from the amendments to the Articles of Association for and on behalf of the Company.’

By order of the Board of
Hisense Kelon Electrical Holdings Company Limited
Tang Ye Guo
Chairman

Foshan City, Guangdong, the PRC, 28 June 2010

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

Notes:

- (1) Holders of H shares intending to attend the EGM shall return the accompanying reply slip in writing to the registered office of the Company on or before Monday, 26 July 2010. To qualify for attendance at the EGM, all H shares transfers together with the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 16 July 2010 for registration.
- (2) Shareholders who are 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 or proxies to attend and vote on their behalf.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (3) Holders of domestic shares and H shares of the Company whose names appear on the register of members of the Company as at the close of business on 16 July 2010 (Friday) (including holders of H Shares of the Company who have submitted verified transfer forms on or before 16 July 2010) will be entitled to attend the EGM. The register of members of the Company will be closed from 17 July 2010 (Saturday) to 16 August 2010 (Monday) (both days inclusive).
- (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 notorially certified copy of such power of attorney or authority, must be deposited with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time appointed for holding the EGM.
- (5) In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in this notice will be voted on by way of poll. Voting results will be uploaded to the website of the Company at www.kelon.com and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk upon conclusion of the EGM.
- (6) 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
- (7) The English version of the proposed amendments to the Articles of Association as set out in this notice is for reference only and if there is any conflict between the English and the Chinese versions, the Chinese version shall prevail.