
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 Kasen International Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other 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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**KASEN INTERNATIONAL HOLDINGS LIMITED****卡森國際控股有限公司***(An exempted company incorporated in the Cayman Islands with limited liability)***(Stock Code: 496)****RENEWAL OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Kasen International Holdings Limited to be held at 259, Qianjiang Road West, Haining, Zhejiang, China on May 29, 2009 at 9:30 a.m. is set out on pages 13 to 16 of this circular. A form of proxy for use in connection with the annual general meeting is enclosed herewith. Whether or not you are able to attend, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

April 16, 2009

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 259, Qianjiang Road West, Haining, Zhejiang, China on May 29, 2009 at 9:30 a.m., for the purpose of considering and if thought fit, approving the resolutions proposed in this circular
“AGM Notice”	the notice convening the AGM set out on pages 13 to 16 of this circular
“Board”	the Board of Directors
“Code”	the Codes on Takeovers and Mergers and Share Repurchases
“Company”	Kasen International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Existing Articles”	the existing articles of association of the Company as at the date of this circular
“General Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding the sum of 20% of the existing issued share capital of the Company as at the date of passing of the relevant resolutions, and the aggregate nominal value of the share capital of the Company repurchased by the Company (if any)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	April 8, 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular

DEFINITIONS

“Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase shares in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolutions
“Share(s)”	the share(s) of US\$0.00015 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

LETTER FROM THE BOARD



KASEN INTERNATIONAL HOLDINGS LIMITED

卡森國際控股有限公司

(An exempted company incorporated in the Cayman Islands with limited liability)

(Stock Code: 496)

Executive Directors:

ZHU Zhangjin (*Chairman and*

Chief Executive Officer)

ZHOU Xiaosong

ZHANG Mingfa, Michael

Independent non-executive Directors:

LU Yungang

CHOW Joseph

GU Mingchao

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

Head office:

259 Qianjiang Road West

Haining City

Zhejiang Province 314400

China

Principal place of business

in Hong Kong:

Room 1605, Tai Tung Building

8 Fleming Road

Wanchai

Hong Kong

April 16, 2009

To the Shareholders

Dear Sirs or Madams,

**RENEWAL OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES
AND
RE-ELECTION OF 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 Annual General Meeting to enable you to make an informed decision on whether to vote for or against those resolutions.

LETTER FROM THE BOARD

At the AGM, resolutions, amongst others, will be proposed for the Shareholders to approve (i) the renewal of the General Mandate and the Repurchase Mandate; (ii) the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iii) the re-election of Directors.

RENEWAL OF GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on May 29, 2008, resolutions were passed giving general mandates to the Directors (i) to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company and (ii) to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company. Such general mandates will expire at the conclusion of the forthcoming AGM.

At the AGM, separate ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the resolution. The General Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Existing Articles or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company. Based on 1,163,656,985 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased prior to the date of the AGM, the Directors will be authorised to issue up to 232,731,397 Shares under the General Mandate;
- (b) to grant the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this circular. Under such Repurchase Mandate, the maximum number of Shares that the Company may be repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution. As at the Latest Practicable Date, the number of Shares in issue of the Company was 1,163,656,985 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Repurchase Mandate and on the basis that none of the outstanding share options of the Company is exercised pursuant to the Share Option Schemes and no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 116,365,698 Shares, being 10% of the entire issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Existing Articles or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and

LETTER FROM THE BOARD

- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Repurchase Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to renew the grant of the Repurchase Mandate at the AGM.

RE-ELECTION OF DIRECTORS

Pursuant to article 87 of the Existing Articles, Mr. Zhu Zhangjin will retire from office as Director by rotation at the AGM and being eligible, offer himself for re-election. Mr. Zhang Mingfa, Michael and Mr. Gu Mingchao will only hold office as Directors until the AGM and, being eligible, will offer themselves for re-election at the AGM. At the AGM, ordinary resolutions will be proposed to re-elect Mr. Zhu Zhangjin and Mr. Zhang Mingfa, Michael as executive Directors, and Mr. Gu Mingchao as independent non-executive Director. Particulars of Directors proposed to be elected and re-elected in the AGM are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the AGM at the head office of the Company at 259, Qianjiang Road West, Haining, Zhejiang, China on May 29, 2009 at 9:30 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions proposed in this circular. The notice of the AGM is set out on pages 13 to 16 of this circular of the Company.

A form of proxy for use in connection with the AGM is enclosed herewith. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible to the Company's Hong Kong branch registrar in Hong Kong at Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and in any event by no later than 48 hours before the time appointed for the holding of the AGM (or any adjourned meeting thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the AGM will be by poll.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the Repurchase Mandate, the General Mandate, the re-election of Directors are in the best interests of the Company as well as its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the relevant resolutions set out in the AGM Notice.

As at the date hereof, the Board comprises Mr. Zhu Zhangjin, Mr. Zhou Xiaosong and Mr. Zhang Mingfa, Michael, as executive Directors, Mr. Lu Yungang, Mr. Chow Joseph and Mr. Gu Mingchao as independent non-executive Directors.

Yours faithfully,
By Order of the Board
Zhu Zhangjin
Chairman

This Appendix serves as an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution.

1. LISTING RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below.

2. SHAREHOLDERS' APPROVAL

All proposed repurchases of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval.

3. SOURCE OF FUNDS

Subject to Cayman Islands law, the Company's memorandum of association and the Existing Articles and, where applicable, the rules of any Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own Shares shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it thinks fit. Under the Company's memorandum of association and the Existing Articles, the Company is authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the Cayman Islands law. Under such law, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

4. SHARE CAPITAL

Assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date to the AGM, exercise in full of the Repurchase Mandate, on the basis of 1,163,656,985 existing Shares in issue as at the Latest Practicable Date, could result in up to 116,365,698 Shares being repurchased by the Company.

5. REASONS FOR SHARE REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on terms favourable to the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the currently prevailing market value, it could have a material adverse impact on the working capital position and gearing level of the Company, as compared with the position disclosed in its most recent published audited accounts for the year ended December 31, 2008.

6. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention, in the event that the proposal is approved by the Shareholders, to sell their Shares to the Company or its subsidiaries under the Repurchase Mandate. No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell his/her/its Shares to the Company or its subsidiaries nor has he/she/it undertaken not to sell any of his/her/its Shares held by him/her/it to the Company or its subsidiaries in the event that the Company is authorised to make purchases of the Shares.

7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of the Cayman Islands.

8. EFFECT OF THE CODE

A repurchase of Shares by the Company may result in an increase in the proportionate interests of Shareholders in the voting rights of the Company, such increase will be treated as an acquisition for the purposes of the Code and which could give rise to an obligation by a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of its or their shareholding, to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Zhu Zhangjin, the chairman of the Company, was also a substantial shareholder of the Company, holding 504,896,635 Shares or approximately 43.39% of the issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, the shareholding of Mr. Zhu in the Company would be increased to approximately 48.21% of the issued share capital of the Company and such increase would give rise to an obligation to make a mandatory general offer under Rule 26 of the Code. The Directors currently have no intention to exercise the Repurchase Mandate to such extent that would trigger a mandatory offer by any Shareholder under Rule 26 of the Code or result in the amount of shares held by the public being reduced to less than 25% of the issued share capital of the Company.

9. SHARE PRICES

The highest and lowest traded prices for the Shares on the Stock Exchange during each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2008		
April	1.1900	0.9000
May	1.7000	1.0900
June	1.8500	1.4800
July	1.5000	1.3500
August	1.4000	1.2800
September	1.3000	1.0000
October	1.1700	0.4100
November	0.7900	0.6300
December	1.9000	0.5600
2009		
January	1.0400	0.7700
February	0.8200	0.5900
March	0.6500	0.4550
April (up to the Latest Practicable Date)	0.6200	0.5000

10. SHARE REPURCHASES MADE BY THE COMPANY

Save as disclosed below, no purchase of Shares has been made by the Company on the Stock Exchange or otherwise in the six months ended on the Latest Practicable Date.

Month/Year	Number of shares repurchased	Purchase price per share		Aggregate purchase consideration <i>HK\$</i>
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>	
November 2008	817,000	0.7400	0.7200	596,240
Total:	<u>817,000</u>			<u>596,240</u>

Set out below are details of the Directors who will retire at the conclusion of the AGM and will be re-elected at the AGM.

DIRECTORS TO BE RE-ELECTED**ZHU ZHANGJIN (朱張金)**

Mr. Zhu Zhangjin, aged 43, is the founder of the Group and the chairman of the Company. Mr Zhu is also an executive Director and the chief executive officer of the Company. Before founding the Group in 1995, Mr. Zhu was involved in several business ventures in the areas of textile, leather processing, garment, trading, etc. With over 21 years of experience in the leather manufacturing industry, Mr. Zhu has extensive knowledge in the upholstered furniture industry in the PRC and has been a successful entrepreneur in leather manufacturing related businesses. Mr. Zhu is also the vice chairman of the China Leather Association. In recognition of his contribution to promote the development of the leather manufacturing industry, Mr. Zhu was awarded the “Top Ten Businessmen in Zhejiang” in 2004. In 2006, Mr. Zhu was one of the 10 recipients of the prestigious “National May 4th Youth Award (全國五四青年獎章)”. In 2007, Mr. Zhu received the National May Day Award.

Mr. Zhu is also a director of Kasen International Company Limited, Cardina International Company Limited, Investwise International Limited, Zhejiang Kasen Industrial Co., Ltd, Haining Kareno Furniture Co., Ltd, Haining Schinder Leather Co., Ltd., Haining Hidea Furniture Co., Ltd, Haining Home Direct Co., Ltd., Yancheng Sujia Real Estate Development Co., Ltd, Haining Leather Industry Investment & Development Co., Ltd and Zhejiang Kasen Property Development Co., Ltd., all of which are subsidiaries of the Company. As at the Latest Practicable Date, Mr. Zhu held 504,896,635 shares both personally and through Joyview Enterprises Limited and share options in respect of 2,000,000 underlying shares granted by the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). Save as disclosed above, Mr. Zhu is not connected with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Zhu did not hold any other directorships in listed public companies in the last three years.

Mr. Zhu entered into a service contract with the Company for a term of three years from October 20, 2008. The emoluments of Mr. Zhu comprise an annual remuneration of RMB409,992 and do not include any bonus payments. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association of the Company. After obtaining authorization from Shareholders at the AGM, the Board may review and fix Mr. Zhu’s emoluments, which will be determined with reference to his qualification and experience, responsibilities undertaken, contribution to the Group, and the prevailing market level of remuneration for executives of similar position.

There is no information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders.

ZHANG MINGFA, MICHAEL (張明發)

Mr. Zhang Mingfa, Michael, aged 48, joined Zhejiang Kasen Industrial Co., Ltd., a subsidiary of the Company, on October 1, 1997 as vice president of the Import and Export Division. Mr. Zhang was appointed an executive Director with effect from November 10, 2008. Mr. Zhang has more than 28 years of experience in the leather manufacturing industry and he was the director of the Logistics Department of Zhejiang Kasen Industrial Co., Ltd. Mr. Zhang is a qualified international business engineer and obtained the qualification certificate approved by the Ministry of Commerce of the PRC in 1995. In 1984, Mr. Zhang obtained a diploma in leather industry from Chengdu University of Technology. Mr. Zhang also obtained a diploma in Business Administration from Zhejiang University of Technology in 1989.

Mr. Zhang is also a director of Kasen International Company Limited, a subsidiary of the Company. As at the Latest Practicable Date, Mr. Zhang held 1,980,000 shares and share options in respect of 1,500,000 underlying shares granted by the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). Save as disclosed above, Mr. Zhang is not connected with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Zhang did not hold any other directorships in listed public companies in the last three years.

Mr. Zhang entered into a service contract with the Company for a term of three years from November 10, 2008. The emoluments of Mr. Zhang comprise an annual remuneration of RMB129,996 and do not include any bonus payments. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. After obtaining authorization from Shareholders at the AGM, the Board may review and fix Mr. Zhang's emoluments, which will be determined with reference to his qualification and experience, responsibilities undertaken, contribution to the Group, and the prevailing market level of remuneration for executives of similar position.

There is no information which is required to be disclosed pursuant to Rule 13.51 (2)(h) to (v) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders.

GU MINGCHAO (顧鳴超)

Mr. Gu Mingchao, aged 65, retired. Mr. Gu was appointed an independent non-executive Director with effect from October 1, 2008. He is currently an independent non-executive director of the Bank of Communications Co., Limited. From September 1979 to May 1994, Mr. Gu has worked for the Bank of China, serving successively as deputy section chief of the International Settlement Section of Lianyungang Branch, head of Lianyungang Branch, director of the General Office, chief of Personnel Division, deputy head and head of Jiangsu Branch, and head of Zhejiang Branch. From June 1994 to June 2000, he has served as the vice president and executive director of The Export-Import Bank of China. Between July 2000 and July 2003, Mr. Gu served as the chairman of the Board of Supervisors of China Galaxy Securities Company Limited, designated by the State Council. Mr. Gu also served as the chairman of the Board of Supervisors of the Bank of Communications, designated by the State Council, from August 2003 to August 2004. From September 2004 to April 2007, Mr. Gu served as the chairman of the Board of Supervisors of Agricultural Bank of China, designated by the State Council. Mr. Gu graduated from Shanghai Foreign Trade Institute in 1968.

Saved as disclosed herein, Mr. Gu held no other directorships in any listed public companies in the last three years. Mr. Gu does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Gu had no interests in any Shares or underlying Shares of the Company pursuant to Part XV of the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong).

There is no service contract entered into between Mr. Gu and the Company. He is subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Existing Articles. The remunerations of Mr. Gu, which are determined based on his qualification and experience, responsibilities undertaken, contribution to the Group, and the prevailing market level of remuneration for independent non-executive Directors, are at the rate of HK\$180,000 per annum payable in arrears at the end of each quarter. Mr. Gu is entitled to 12 months of emoluments each year. A discretionary bonus may be decided by the Board based on Mr. Gu's performance and service for each year of his service, provided that the total amount of bonus payable to him for such year shall not exceed 10% of the audited consolidated profit after taxation but before extraordinary items of the Group (if any) for the relevant year. After obtaining authorization from Shareholders at the AGM, the Board may review and fix Mr. Gu's emoluments, which will be determined with reference to the factors set out above.

There is no information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



KASEN INTERNATIONAL HOLDINGS LIMITED

卡森國際控股有限公司

(An exempted company incorporated in the Cayman Islands with limited liability)

(Stock Code: 496)

NOTICE IS HEREBY GIVEN that the 2009 ANNUAL GENERAL MEETING of KASEN INTERNATIONAL HOLDINGS LIMITED (the “Company”) will be held at 259, Qianjiang Road West, Haining, Zhejiang, China on May 29, 2009 at 9:30 a.m. for the following purpose:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “Directors”) and the auditors of the Company (the “Auditors”) for the year ended December 31, 2008.
2. To re-elect Mr. Zhu Zhangjin as executive Director and to authorise the board of Directors to fix his remuneration.
3. To re-elect Mr. Zhang Mingfa, Michael as executive Director and to authorise the board of Directors to fix his remuneration.
4. To re-elect Mr. Gu Mingchao as independent non-executive Director and to authorise the board of Directors to fix his remuneration.
5. To re-appoint Deloitte Touche Tohmatsu as the Auditors and to authorise the board of Directors to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the 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;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) 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 granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue, 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, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing 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 whichever is 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 law or the Company’s articles of association to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares 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 of the Company 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 recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

- 7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase issued shares in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of

NOTICE OF THE ANNUAL GENERAL MEETING

Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase 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 purchased by the directors of the Company pursuant to the approval in paragraph (a) shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing 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 whichever is 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 law or the Company’s articles of association to be held; or
 - (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”
8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 6 and 7 as set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the directors of the Company pursuant to the resolution no. 6 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 7 as set out in the notice convening the meeting of which this resolution forms part, 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 this resolution.”

By Order of the Board
Kasen International Holdings Limited
Yiu Hoi Yan
Company Secretary

Hong Kong, April 16, 2009

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. Every member entitled to attend and vote at the annual general meeting is entitled to appoint one or more persons as his proxy to attend and vote on behalf of himself. A proxy need not be a member of the Company.
2. A form of proxy for the annual general meeting is enclosed. To be valid, a form of proxy, together with the power of attorney or other document of authority, if any, under which the form is signed, or a certified copy thereof, must be deposited with the Company's Hong Kong branch registrar in Hong Kong at Computershare Hong Kong Investor Services Limited, Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjourned meeting or upon the poll concerned if Shareholders so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from May 26, 2009 to May 29, 2009 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for the entitlement to attend and vote at the forthcoming annual general meeting, all transfers documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch registrar, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on May 25, 2009.

As at the date of this notice, the executive directors of the Company are Mr. Zhu Zhangjin, Mr. Zhou Xiaosong and Mr. Zhang Mingfa, Michael, and the independent non-executive directors are Mr. Lu Yungang, Mr. Chow Joseph and Mr. Gu Mingchao.