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CHINA OCEAN INDUSTRY GROUP LIMITED

中海重工集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00651)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of China Ocean Shipbuilding Industry Group Limited (the “Company”) will be held at Golden Restaurant, Macau Jockey Club, 1/F, East Wing Shun Tak Centre, 200 Connaught Road Central, Sheung Wan, Hong Kong on Tuesday, 14 March 2017 at 10:30 a.m., to consider and, if thought fit, pass the following ordinary resolution (with or without modifications):

ORDINARY RESOLUTION

1. **“THAT**

- (a) the conditional acquisition agreement dated 16 November 2016 (the “Acquisition Agreement”, details of which are disclosed in the circular of the Company dated 24 February 2017 (the “Circular”)) entered into amongst (i) Nantong Xinda Shipping Technology Development Company Limited* (南通鑫達船舶科技發展有限公司), Mr. Huo Qi (as vendors); (ii) Mr. Ma Zhenqiang; and (iii) China Ocean Industry (Shenzhen) Limited Company* (中海重工(深圳)有限公司) as purchaser (as amended and supplemented by the Supplemental Agreement as defined in the Circular), in relation to the sale and purchase of 100% of the registered capital of Nantong Huakai Heavy Industry Company Limited* (南通華凱重工有限公司) (the “Acquisition”) for a maximum consideration of RMB270,000,000, subject to adjustments to be made in accordance with the Acquisition Agreement (a copy of Acquisition Agreement has been produced at the meeting marked “A” and signed by the chairman of the meeting for identification purpose) the terms and conditions thereof and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

- (b) any one or more of the directors of the Company be and is hereby authorised to do all such acts and things and to sign and execute all such other documents or instrument for and on behalf of the Company (including the affixation of the common seal of the Company where required) as he or she may consider necessary, appropriate, expedient or desirable in connection with, or to give effect to, the Acquisition Agreement and to implement the transactions contemplated thereunder and to agree to such variations, amendments or waivers of matters relating thereto that are of administrative nature and ancillary to the implementation of the Acquisition Agreement and any other transactions contemplated under or incidental to the Acquisition Agreement.”

By order of the Board
China Ocean Industry Group Limited
Li Ming
Chairman

Hong Kong, 24 February 2017

Principal place of business:

Units 1702-03,
17/F, China Merchants Tower,
Shun Tak Centre,
168-200 Connaught Road Central,
Hong Kong

Notes:

1. A member of the Company who is holder of two or more shares, and who is entitled to attend and vote at the meeting, is entitled to appoint more than one proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person. In such event, his/her form of proxy will be deemed to have been revoked.

2. A form of proxy for the SGM is enclosed with the notice of the SGM. In order to be valid, the form of proxy together with the power of attorney, if any, under which it is signed, or a notarially certified copy of such power or authority must be lodged at the Company's Hong Kong branch share registrar, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or any adjournment of the meeting.
3. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the above resolution will be voted by way of poll. As at the date of this notice, none of shareholders of the Company are required to abstain from voting in respect of the above ordinary resolution above.

The English translation of Chinese names or words in this notice, where indicated by "", are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, Company's executive Directors are Mr. Li Ming, Mr. Zhang Shi Hong, Mr. Wang San Long, Mr. Liu Jin, one non-executive director is Mr. Chau On Ta Yuen and the independent non-executive Directors are Ms. Xiang Si Ying, Mr. Hu Bai He and Ms. Xiang Ying.