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If you have sold or transferred all your shares in CHINA HAIDIAN HOLDINGS LIMITED, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

**PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice dated 2 December 2010 convening the special general meeting of China Haidian Holdings Limited to be held at Units 1902-04, Level 19, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, on 21 December 2010 at 11:00 a.m. is set out on page 4 of this circular. Whether or not you intend to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjourned meeting if they so wish.

Hong Kong, 2 December 2010

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DEFINITIONS

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

“BDO”	BDO Limited
“Board”	the board of directors of the Company
“Company”	China Haidian Holdings Limited 中國海澱集團有限公司, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“GTHK”	Grant Thornton Hong Kong
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“SGM”	the special general meeting of the Company to be held at Units 1902-04, Level 19, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Tuesday, 21 December 2010 at 11:00 a.m. and any adjourned meeting for the purpose of, among other matters, considering and, if thought fit, approving the appointment of auditors
“Share(s)”	Ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

Executive Directors:

Hon Kwok Lung (*Chairman*)
Shang Jianguang (*Chief Executive Officer*)
Shi Tao
Lam Toi Man
Bi Bo

Registered Office:

P.O. Box 309
Ugland House
South Church Street
Grand Cayman
Cayman Islands

Non-executive Director:

Sit Lai Hei

Principal Place of Business:

Units 1902-04, Level 19
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Independent Non-executive Directors:

Fung Tze Wa
Kwong Chun Wai, Michael
Li Qiang

Hong Kong, 2 December 2010

To the Shareholders,

Dear Sir or Madam,

PROPOSED CHANGE OF AUDITORS

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolution to be proposed at the SGM for the change of auditors.

PROPOSED CHANGE OF AUDITORS

The Board received a letter from GTHK dated 24 November 2010 informing that they would merge their practice with that of BDO and have resigned as auditors of the Company with effect from 24 November 2010. GTHK have confirmed in its resignation that there were no circumstances connected with its resignation which it considered should be brought to the attention of the Shareholders or the creditors of the Company.

LETTER FROM THE BOARD

At a meeting of the Board held on 24 November 2010, the Board has resolved to convene a SGM to propose to the Shareholders that BDO be appointed as the new auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and the Board is authorized to fix the remuneration of the auditors.

The Board confirms that there are no matters in respect of the proposed change of auditors of the Company, which it considers should be brought to the attention of the Shareholders and creditors of the Company.

SGM

The notice of SGM is set out on page 4 of this circular. At the SGM, a resolution will be proposed to approve the change of auditors.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the SGM if they do wish.

LISTING RULES REQUIREMENT

According to rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the resolution put to the vote at the SGM will be taken by way of poll.

RECOMMENDATION

The Board is of the opinion that the proposed change of auditors is in the best interests of the Company and the Shareholders and therefore recommend you to vote in favour of the resolution to be proposed at the SGM.

By Order of the Board
China Haidian Holdings Limited
Hon Kwok Lung
Chairman

NOTICE OF SPECIAL GENERAL MEETING



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the special general meeting of China Haidian Holdings Limited (the “Company”) will be held at Units 1902-04, Level 19, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Tuesday, 21 December 2010 at 11:00 a.m. for the purpose of, among other matters, considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

“**THAT** BDO Limited be and is hereby appointed as the auditors of the Company to fill the vacancy occasioned by the resignation of Grant Thornton Hong Kong, to hold office until the conclusion of the next general meeting of the Company and the board of directors of the Company be and is hereby authorised to fix the remuneration of the auditors of the Company.”

By Order of the Board
China Haidian Holdings Limited
Fong Chi Wah
Company Secretary

Hong Kong, 2 December 2010

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his stead and any member who is the holder of 2 or more shares in the Company is entitled to appoint more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company’s share registrar, Tricor Secretaries Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Special General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending the meeting should you so wish.
3. As at the date of this notice, the Board comprises Mr. Hon Kwok Lung, Mr. Shang Jianguang, Mr. Shi Tao, Mr. Lam Toi Man and Mr. Bi Bo as the executive Directors; Ms. Sit Lai Hei as the non-executive Director; and Mr. Fung Tze Wa, Dr. Kwong Chun Wai, Michael and Mr. Li Qiang as the independent non-executive Directors.