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China Jinhai International Group Limited

中國金海國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 139)

**(I) SUPPLEMENTAL AGREEMENT TO
THE UNDERWRITING AGREEMENT;
(II) REVISION OF EXPECTED TIMETABLE;
(III) CHANGE OF BOOK CLOSURE PERIOD; AND
(IV) PROPOSED CHANGE IN BOARD LOT SIZE**

SUPPLEMENTAL AGREEMENT TO THE UNDERWRITING AGREEMENT

Reference is made to the December Announcement. As disclosed in the December Announcement, the Company proposes to raise funds by way of Rights Issue. The Rights Issue is fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

Furthermore, the Board also announced that, after trading hours on 7 January 2015, the Company and the Underwriter entered into the Underwriting Supplemental Agreement to amend the maximum number of Underwritten Shares of the Underwriting Agreement to reflect necessary changes to the number of Underwritten Shares as a result of the recent update relating to the Subscription of the Convertible Notes as disclosed in the January Announcement II and 32,042,272 Share Options to be vested on or before the Record Date. Pursuant to the Underwriting Supplemental Agreement, the Underwriter has conditionally agreed to fully underwrite not less than 3,592,111,050 Underwritten Shares and not more than 3,611,678,988 Underwritten Shares, not taken up by the Qualifying Shareholders, assuming (assuming (i) no repurchase of Existing Shares or New Shares; (ii) the Share Options granted and outstanding are fully exercised; and (iii) the maximum number of options that can be granted pursuant to the Scheme Mandate are granted and exercised by the grantee(s) in full on or before the Record Date).

* For identification purposes only

The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out in the December Announcement under the section headed “Conditions Precedent to the Rights Issue and the Underwriting Agreement”. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue have not been fulfilled will bear the risk that the Rights Issue could not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

REVISION OF EXPECTED TIMETABLE

Reference is made to the January Announcement I, the despatch date of the Circular is expected to be postponed to a date on or before 21 January 2015.

Moreover, the Board also wishes to draw Shareholders’ and investors’ attention to the revision of the expected timetable for the Share Consolidation, the Capital Reorganization, the Rights Issue with Bonus Warrant Issue and change in board lot size (including the change of the period for the closure of register of members of the Company) as a result of delay in despatch of the Circular as set out herein.

PROPOSED CHANGE IN BOARD LOT SIZE

As announced in the December Announcement, the Board also proposes that the board lot size of the Existing Shares for trading on the Stock Exchange be changed from 10,000 Existing Shares to 20,000 New Shares. The Board intends to change the board lot size to 14,000 instead of 20,000 New Shares to reduce the amount of odd lots holding. In the event that the Rights Issue is not approved by the Shareholders at the SGM, the board lot size of the Shares will remain unchanged.

Reference is made to the announcements of the Company dated 30 July 2014 (“**July Announcement**”), 28 August 2014 (“**August Announcement**”), 8 December 2014 (“**December Announcement**”), 5 January 2015 (“**January Announcement I**”) and 6 January 2015 (“**January Announcement II**”) respectively. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the July Announcement, the August Announcement, the December Announcement, the January Announcement I and the January Announcement II.

SUPPLEMENTAL AGREEMENT TO THE UNDERWRITING AGREEMENT

Reference is made to the December Announcement. As disclosed in the December Announcement, the Company proposes to raise funds by way of Rights Issue. The Rights Issue is fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

Furthermore, the Board also announced that, after trading hours on 7 January 2015, the Company and the Underwriter entered into the Underwriting Supplemental Agreement to amend the maximum number of Underwritten Shares of the Underwriting Agreement to reflect necessary changes to the number of Underwritten Shares as a result of the recent update relating to the Subscription of the Convertible Notes as disclosed in the January Announcement II and 32,042,272 Share Options to be vested on or before the Record Date. Pursuant to the Underwriting Supplemental Agreement, the Underwriter has conditionally agreed to fully underwrite not less than 3,592,111,050 Underwritten Shares and not more than 3,611,678,988 Underwritten Shares, not taken up by the Qualifying Shareholders, assuming (assuming (i) no repurchase of Existing Shares or New Shares; (ii) the Share Options granted and outstanding are fully exercised; and (iii) the maximum number of options that can be granted pursuant to the Scheme Mandate are granted and exercised by the grantee(s) in full on or before the Record Date).

Issue statistics (revised)

Basis of the Rights Issue:	six (6) Rights Shares for every New Share held on the Record Date with Bonus Warrants on the basis of one Bonus Warrant for every six (6) Rights Shares taken up
Number of New Shares in issue upon Share Consolidation and/or Capital Reorganization becoming effective (assuming no further Shares would be issued or repurchased between the date of this announcement and the Record Date):	598,685,175 New Shares
Number of Rights Shares:	not less than 3,592,111,050 New Shares (assuming no further issue of or repurchase of Existing Shares or New Shares on or before the Record Date) and not more than 3,611,678,988 New Shares (assuming (i) no repurchase of Existing Shares or New Shares; (ii) the Share Options granted and outstanding are fully exercised; and (iii) the maximum number of options that can be granted pursuant to the Scheme Mandate are granted and exercised by the grantee(s) in full on or before the Record Date)
Number of Bonus Warrants:	not less than 598,685,175 Bonus Warrants and not more than 601,946,498 Bonus Warrants

Number of Rights Shares
underwritten by the Underwriter:

the Underwriter has conditionally agreed to fully underwrite not less than 3,592,111,050 Underwritten Shares (assuming no further issue of or repurchase of Existing Shares or New Shares on or before the Record Date) and not more than 3,611,678,988 Underwritten Shares, not taken up by the Qualifying Shareholders (assuming (i) no repurchase of Existing Shares or New Shares; (ii) the Share Options granted and outstanding are fully exercised; and (iii) the maximum number of options that can be granted pursuant to the Scheme Mandate are granted and exercised by the grantee(s) in full on or before the Record Date)

The minimum and maximum gross proceeds of the Rights Issue are approximately HK\$538.82 million and HK\$541.75 million respectively. The estimated minimum and maximum net proceeds of the Rights Issue after deducting expenses are approximately HK\$519.56 million and HK\$522.50 million respectively, and the minimum and maximum net price per Rights Share upon full acceptance of the relevant provisional allotment of the Rights Shares are approximately HK\$0.145 and HK\$0.145 respectively.

Save as disclosed above, all other terms of the Underwriting Agreement shall remain unchanged and in full force and effect.

REVISION OF EXPECTED TIMETABLE

Reference is made to the December Announcement and the January Announcement I. As stated in the January Announcement I, the despatch date of the Circular is expected to be postponed to a date on or before 21 January 2015.

Moreover, the Board also wishes to draw Shareholders' and investors' attention to the revision of the expected timetable for the Share Consolidation, the Capital Reorganization, the Rights Issue with Bonus Warrant Issue and change in board lot size (including the change of the period for the closure of register of members of the Company) as a result of delay in despatch of the Circular as set out herein.

EXPECTED TIMETABLE

The expected timetable for Share Consolidation, the Capital Reorganization, the Rights Issue with Bonus Warrant Issue and change in board lot size is set out below:

Hong Kong Times

Expected date of despatch of the Circular in relation
to Share Consolidation, Capital Reorganization,
Rights Issue with Bonus Warrant Issue,
the Proposed Increase in Authorized Share Capital
and notice of SGM Wednesday, 21 January 2015

Publication of notice of reduction of share capital in Bermuda (which shall be not less than 15 days and not more than 30 days prior to the date on which the Capital Reduction becomes effective) Not earlier than 30 January 2015 and not later than 13 February 2015

Latest time for lodging proxy forms for the SGM..... 9:30 a.m. on Wednesday, 25 February 2015

Expected time and date of the SGM..... 9:30 a.m. on Friday, 27 February 2015

Publication of poll result of the SGM Friday, 27 February 2015

The following events are conditional on the fulfillment of the conditions for the implementation of Share Consolidation and/or Capital Reorganization.

Effective date of Share Consolidation and/or Capital Reorganization Monday, 2 March 2015

Dealings in the New Shares commence 9:00 a.m. on Monday, 2 March 2015

Original counter for trading in Existing Shares in board lots of 10,000 Existing Shares temporarily closes 9:00 a.m. on Monday, 2 March 2015

Temporary counter for trading in board lots of 1,000 New Shares (in the form of existing share certificates) opens 9:00 a.m. on Monday, 2 March 2015

Free exchange of existing share certificates for the new share certificates for the New Shares commences Monday, 2 March 2015

Last day of dealing in the New Shares on a cum-entitlement basis in respect of the Rights Issue Monday, 2 March 2015

First day of dealings in the New Shares on an ex-entitlement basis in respect of the Rights Issue Tuesday, 3 March 2015

Latest time for lodging forms of transfer of New Shares in order to be entitled to the Rights Issue..... 4:30 p.m. on Wednesday, 4 March 2015

Closure of register of members of the Company for determining entitlement to the Rights Issue	Thursday, 5 March 2015 to Tuesday, 10 March 2015 (both days inclusive)
Record Date for the Rights Issue	Tuesday, 10 March 2015
Register of members of the Company re-opens.....	Wednesday, 11 March 2015
Despatch of the Prospectus Documents.....	Wednesday, 11 March 2015
First day of dealings in nil-paid Rights Shares.....	9:00 a.m. on Friday, 13 March 2015
Original counter for trading in New Shares in board lots of 14,000 New Shares (in the form of new share certificates) re-opens.....	9:00 a.m. on Monday, 16 March 2015
Parallel trading in the New Shares (in the form of existing share certificates and new share certificates) commences	9:00 a.m. on Monday, 16 March 2015
Designated broker starts to stand in the market to provide matching services for the odd lots of New Shares.....	9:00 a.m. on Monday, 16 March 2015
Latest time for splitting nil-paid Rights Shares.....	4:30 p.m. on Tuesday, 17 March 2015
Last day of dealings in nil-paid Rights Shares	4:00 p.m. on Friday, 20 March 2015
Latest time for acceptance of, and payment for, the Rights Shares and application for excess Rights Shares	4:00 p.m. on Wednesday, 25 March 2015
Latest time for termination of the Underwriting Agreement.....	4:00 p.m. on Monday, 30 March 2015
Announcement for result of the Rights Issue	Thursday, 2 April 2015
Refund cheques for wholly and partially unsuccessful applications for excess Rights Shares expected to be posted.....	Wednesday, 8 April 2015
Certificates for the fully-paid Rights Shares expected to be despatched.....	Wednesday, 8 April 2015

Temporary counter for trading in board lots
of 1,000 New Shares (in the form of existing
share certificates) closes..... 4:00 p.m. on Wednesday,
8 April 2015

Parallel trading in the New Shares (in the form of
existing share certificates and new share certificates) ends..... 4:00 p.m. on Wednesday,
8 April 2015

Designated broker ceases to stand in the market
to provide matching services for the odd lots
of the New Shares 4:00 p.m. on Wednesday,
8 April 2015

Dealings in fully-paid Rights Shares commence..... 9:00 a.m. on Thursday,
9 April 2015

Free exchange of existing share certificates for the
Existing Shares for new share certificates for the
New Shares ends Friday, 10 April 2015

The following events are conditional on the fulfilment of the conditions for the Rights Issue and Bonus Warrants.

Warrant certificates for the Bonus Warrants to be posted Wednesday, 8 April 2015

Dealings in the Bonus Warrants on the
Stock Exchange commence..... 9:00 a.m. on Thursday,
9 April 2015

All times in this announcement refer to Hong Kong times. Dates stated in this announcement for events mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable will be announced as appropriate in accordance with the Listing Rules.

PROPOSED CHANGE IN BOARD LOT SIZE

As announced in the December Announcement, the Board also proposes that the board lot size of the Existing Shares for trading on the Stock Exchange be changed from 10,000 Existing Shares to 20,000 New Shares. The Board intends to change the board lot size to 14,000 instead of 20,000 New Shares to reduce the amount of odd lots holding. In the event that the Rights Issue is not approved by the Shareholders at the SGM, the board lot size of the Shares will remain unchanged.

As the value of each board lot of New Shares is expected to decrease after dealings in the New Shares on an ex-rights basis commence, the Board proposes that the board lot size of the New Shares for trading on the Stock Exchange be changed from 10,000 Existing Shares to 14,000 New Shares with effect from 9:00 a.m. on Monday, 16 March 2015. In the event that the Rights Issue is not approved at the SGM, the board lot size of the New Shares will remain unchanged.

To facilitate the trading of odd lots (if any) of the New Shares arising from Share Consolidation and/or the Capital Reorganization and the change of board lot size, the Company has agreed to procure an agent to arrange for matching services regarding the sale and purchase of odd lots of New Shares on a best efforts basis, during the period from Monday, 16 March 2015 to Wednesday, 8 April 2015 (both dates inclusive). Further details in respect of the odd lots trading arrangement will be set out in the Circular to be despatched to the Shareholders.

Holder of New Shares in odd lots should note that successful matching of the sales and purchases of odd lots of New Shares are not guaranteed. Shareholders are advised to consult their professional advisers if they are in doubt about the above procedures.

The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out in the December Announcement under the section headed “Conditions Precedent to the Rights Issue and the Underwriting Agreement”. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue have not been fulfilled will bear the risk that the Rights Issue could not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases), and any dealings in the Rights Shares in their nil-paid form between 13 March 2015 to 20 March 2015, both days inclusive, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Existing Shares or New Shares or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

By Order of the Board
China Jinhai International Group Limited
Wong Howard
Chairman

Hong Kong, 7 January 2015

As at the date of this announcement, the Board comprises:

Executive Directors

Mr. Wong Howard
(Chairman and Chief Executive Officer)
Dr. Kwong Kai Sing, Benny *(Managing Director)*
Mr. Wong Yat Fai
Ms. Davis Angela Hendricks
Ms. Chen Wei
Mr. Zhan Jianzhou

Independent Non-executive Directors

Mr. Li Chi Ming
Mr. Kwok Chi Kwong
Mr. Chen Youchun
Mr. Frank H. Miu
Mr. Tsang Wing Ki