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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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**Meeting**”) of China Jinhai International Group Limited (the “**Company**”) will be held at Falcon Room I (Basement), Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Friday, 27 February 2015 at 9:30 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**, conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below):
 - (a) with effect from the day (on which shares are traded on the Stock Exchange) immediately following the date of passing of this resolution by the shareholders of the Company, every ten (10) existing shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one (1) share of HK\$0.1 (the “**Consolidated Shares**”) in the issued and unissued share capital of the Company (the “**Share Consolidation**”);
 - (b) all of the Consolidated Shares resulting from the Share Consolidation shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the bye-laws of the Company;
 - (c) any fractional entitlements to the issued Consolidated Shares arising as a result of the Share Consolidation will be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company by an agent appointed by the Company’s board of directors for that purpose; and
 - (d) any one director of the Company (the “**Directors**”) be and is authorised to approve, sign and execute such documents and take any and all steps, and to do and/or procure to be done any and all acts and things which in his/her opinion may be necessary, desirable or expedient to implement and carry into effect this resolution.”

* For identification purposes only

2. “**THAT**

- (a) subject to and conditional upon the passing of the resolution numbered 1 and number 3 and conditional upon fulfillment of the conditions of the Underwriting Agreement (as defined below), the Rights Issue (as defined below) and the transactions contemplated thereunder be and are hereby approved;
- (b) the underwriting agreement dated 5 December 2014, as amended by a supplemental agreement dated 7 January 2015 in respect of the Rights Issue (as defined hereinbelow) and made between the Company and Freeman Securities Limited (together, the “**Underwriting Agreement**”) (a copy of the Underwriting Agreement has been produced to the Meeting marked “A” and signed by the Chairman of the Meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (c) subject to the fulfillment of the conditions set out in the Underwriting Agreement, the allotment and issue of not less than 3,592,111,050 New Shares (as defined below) and not more than 3,611,678,988 New Shares (the “**Rights Shares**”) in the share capital of the Company pursuant to an offer by way of rights to the holders of New Shares (the “**Shareholders**”) at the subscription price of HK\$0.15 per Rights Share on the basis of six Rights Shares for every Consolidated Share, or where the special resolution numbered 4 is passed, the Adjusted Share (as defined below) (the Consolidated Share or the Adjusted Share, as the case maybe, are hereinafter referred to as the “**New Shares**”) held by the Shareholders whose names appear on the register of members of the Company on Tuesday, 10 March 2015 (the “**Record Date**”) as described in further details in a circular issued by the Company dated 23 January 2015 and on and subject to such terms and conditions as may be determined by the directors of the Company (the “**Rights Issue**”), be and is hereby approved, confirmed and ratified; and
- (d) the directors of the Company be and are hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing shareholdings of the Shareholders and, in particular, the directors of the Company may make such exclusions or other arrangements in relation to Shareholders whose addresses as of the Record Date are outside of Hong Kong (if any) as they deem necessary or expedient having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong, and to do all such acts and things as they consider necessary, desirable or expedient to give effect to any or all other transactions contemplated in this resolution.”

3. “**THAT** subject to and conditional upon the passing of the resolutions numbered 1 and 2 above and the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Warrants (as defined below) and any New Shares which may be issued upon the exercise of the subscription rights attaching to the Warrants, the Directors be and are hereby authorised:
- (a) to create and issue warrants (the “**Warrants**”), which shall be in registered form and exercisable in whole or in part at any time within a period of 12 months from the date of issue of the Warrants, to subscribe for New Shares at an initial subscription price of HK\$0.1 per New Share (subject to adjustments) and otherwise on the terms and subject to the conditions set out in the warrant instrument (the “**Warrant Instrument**”), a copy of the form of which has been produced to this meeting marked “B” and signed by the Chairman of this meeting for the purpose of identification, by way of bonus to the first registered holders of the fully paid Rights Shares under the Rights Issue on the basis of one Warrant for every six fully paid Rights Shares taken up and so that each Warrant shall confer on the holder thereof the right to subscribe for one New Share at HK\$0.1 per New Share;
 - (b) any Director be and is hereby authorised to affix the common seal of the Company to and sign the Warrant Instrument in accordance with the bye-laws of the Company;
 - (c) any Director be and is hereby authorised to allot and issue the Warrants and the New Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants or any of them;
 - (d) the performance of all transactions contemplated under or in connection with the issuance of the Warrants be and are hereby approved; and
 - (e) the Directors be and are hereby authorised to do all acts and things and execute all documents which in their opinion may be necessary, desirable or expedient to carry out or to give effect to any or all transactions contemplated in this resolution.”

SPECIAL RESOLUTION

4. “**THAT** subject to and conditional upon (i) the passing of the resolution numbered 1 above; (ii) the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the Adjusted Shares (as defined below) in the capital of the Company; and (iii) the compliance by the Company with the requirements applicable to the Capital Reduction (as defined below) pursuant to the

Companies Act 1981 of Bermuda; with effect from 9:00 a.m. (Hong Kong time) on the business day immediately following the passing of this resolution:

- (a) the total number of the Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be rounded down to a whole number by cancelling the fractional Consolidated Share arising from the Share Consolidation;
- (b) the issued share capital of the Company be reduced by way of a cancellation of the paid-up capital of the Company to the extent of HK\$0.09 on each of the issued Consolidated Share (together with (a) above, the “**Capital Reduction**”) so that the nominal value of each issued Consolidated Share be reduced from HK\$0.10 to HK\$0.01 (each such reduced share, an “**Adjusted Share**”);
- (c) each authorised but unissued Consolidated Share of HK\$0.10 be subdivided into ten (10) shares of HK\$0.01 each; and
- (d) the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company and that the Directors be authorised to apply the balance in the contributed surplus account in any manner permitted by the laws of Bermuda and the bye-laws including but not limited to setting off against the accumulated losses of the Company.”

ORDINARY RESOLUTIONS

- 5. “**THAT** subject to and conditional upon the passing of resolutions numbered 1 and 4 above, the authorised share capital of the Company be and is, hereby increased from HK\$600,000,000 divided into 60,000,000,000 ordinary shares of HK\$0.01 each to HK\$800,000,000 divided into 80,000,000,000 Adjusted Shares of HK\$0.01 each by the creation of an additional new 20,000,000,000 unissued Adjusted Shares in the Company with effect from the business day immediately following the date on which this resolution is passed.”
- 6. “(a) To re-elect Ms. Chen Wei as an executive director of the Company;
- (b) To re-elect Mr. Zhan Jianzhou as an executive director of the Company;
- (c) To re-elect Mr. Frank H. Miu as an independent non-executive director of the Company; and

- (d) To re-elect Mr. Tsang Wing Ki as an independent non-executive director of the Company.”

Yours faithfully,
On behalf of the Board
China Jinhai International Group Limited
Wong Howard
Chairman

Hong Kong, 23 January 2015

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal place of business
in Hong Kong:*
Room 1603-05
Harcourt House
39 Gloucester Road
Wanchai, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more separate proxy(ies) to attend and, subject to the provisions of the by-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the Meeting is enclosed with the circular of the Company dated 23 January 2015.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be deposited with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Meeting (or any adjournment thereof). Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Meeting or at any adjourned meeting (as the case may be) should they so wish and in such event, the proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any share in the Company, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, the joint member whose name stands first on the register of members of the Company in respect of such share, or his proxy, shall alone be entitled to vote and will be accepted to the exclusion of other joint registered holder(s) in respect thereof.
5. The votes at the Meeting will be taken by poll.

As at the date of this notice, 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