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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 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of China Ocean Industry Group Limited (“**Company**”) will be held at Unit D, 16/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong on Friday, 18 September 2020 at 10:30 a.m. to consider and transact the following ordinary businesses:

1. to receive and adopt the audited consolidated financial statements of the Company for the year ended 31 December 2019 and the reports of the directors and auditors thereon;
2. to re-elect the newly appointed director of the Company (Mr. Zhang Chuanjun);
3. to re-elect the retiring directors of the Company (Mr. Li Ming and Ms. Xiang Siying);
4. to authorise the board of directors (“**Board**”) to fix the remuneration of the directors of the Company;
5. to re-appoint Messrs Asian Alliance (HK) CPA Limited as the Company’s auditors and to authorise the Board to fix their remuneration;

and as special businesses, to consider and, if thought fit, pass (with or without modification) the following resolutions as ordinary resolutions:

6. **“THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the directors (“**Directors**”) of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with in unissued shares in the capital of the Company (“**Shares**”) and to make or grant offers, agreements and options, (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any option granted under any share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company as amended from time to time; or (iv) the exercise of rights of subscription or conversion under the terms of any warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into Shares, from time to time shall not exceed the aggregate of 20 per cent. of the number of issued Shares on the date of the passing of this resolution (subject to adjustment in the case of sub-division and consolidation of Shares and the said approval shall be limited accordingly); and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended from time to time) (**“Companies Act”**) or any other applicable laws of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).”

7. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognized by The Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with all applicable laws and the Listing Rules or of any other stock exchange (as applicable) as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of the passing of this resolution (subject to adjustment in the case of sub-division and consolidation of Shares) and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the date of 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 the bye-laws of the Company, the Companies Act or any other applicable laws of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

8. “**THAT**, subject to the availability of unissued share capital and conditional on the passing of resolution nos. 6 and 7 above, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to resolution no. 6 above be and is hereby extended by the addition of the number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the total number of the Shares repurchased by the Company pursuant to or in accordance with the authority granted under Resolution no. 7 above provided that such amount of shares so repurchased shall not exceed 10% of the number of issued Shares as at the date of the passing of this resolution.”

By order of the Board of
China Ocean Industry Group Limited
Tong Yiu On
Company Secretary

Hong Kong, 19 August 2020

Notes:

1. A member of the Company who is a 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 or a duly authorised corporate representative to attend and vote in his stead. A proxy needs not be a member of the Company.
2. A form of proxy for the AGM is enclosed with the Company’s circular dated 19 August 2020. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a valid power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM and any adjournment thereof should he so wish. In such event, his form of proxy will be deemed to have been revoked.

3. The Hong Kong register of members of the Company will be closed from Tuesday, 15 September 2020, to Friday, 18 September 2020 (both dates inclusive), for the purposes of determining the entitlements of the Shareholders to attend and vote at the AGM. No transfer of the Shares may be registered on those dates. The record date (being the last date of registration of any transfer of Shares given there will be no closure of register of members) for the purpose of determining the entitlements of the Shareholders to attend and vote at the AGM will be on Monday, 14 September 2020. In order to qualify for the aforesaid entitlements, all transfers must be lodged with the Hong Kong branch share registrar of the Company, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:30 p.m. on Monday, 14 September 2020.
4. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders, stand on the register in respect of the relevant joint holding.
5. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 12:00 noon on the date of the AGM and/or the Hong Kong Observatory has announced at or before 12:00 noon on the date of the AGM that either of the above mentioned warnings is to be issued within the next two hours, the AGM will be adjourned. The Company will publish an announcement to notify Shareholders of the date, time and place of the adjourned AGM.
6. The AGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders of the Company should decide on their own whether they would attend the AGM under bad weather conditions bearing in mind their own situation.

As at the date of this notice, the board of Directors comprises three executive directors, namely, Mr. Li Ming, Mr. Zhang Shi Hong and Mr. Zhang Chuanjun; and three independent non-executive directors, namely, Ms. Xiang Siying, Mr. Hu Bai He and Ms. Xiang Ying.

PRECAUTIONARY MEASURES FOR THE AGM

The Company would like to inform its Shareholders that precautionary measures will be implemented at the AGM to prevent the COVID-19 pandemic, including:

- (i) Compulsory body temperature check;
- (ii) Compulsory wearing of surgical face mask throughout the AGM;

(iii) No refreshments will be provided and there will be no corporate gift; and

(iv) Maintaining proper distance between seats.

Any person who does not comply with any of the above precautionary measures, or who has a fever or exhibits flu-like symptoms or is subject to any Hong Kong Government prescribed quarantine may be denied entry to the AGM venue.

For the health and safety of Shareholders, the Company encourages Shareholders NOT to attend the AGM in person, and remind Shareholders that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.