



ZHONG HUA INTERNATIONAL HOLDINGS LIMITED

中華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1064)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “Meeting”) of Zhong Hua International Holdings Limited (the “Company”) will be held at Joint Professional Centre, Unit 1, Ground Floor, The Center, 99 Queen’s Road Central, Hong Kong on 10 December 2008 at 2:30 p.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** subject to (i) the Listing Committee of the Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the consolidated shares (referred to below), and (ii) the publication of a notice in Bermuda for the reduction in the share capital of the Company pursuant to section 46(2) of the Companies Act 1981 of Bermuda, with effect from 9:30 a.m. on the business day (not being a Saturday) next following the day on which this resolution is passed (the “Effective Date”):

- (a) the issued share capital of the Company be reduced (the “Reduction”) by cancelling the paid-up capital of the Company to the extent of HK\$0.19 per ordinary share in issue on the Effective Date so that the nominal value of each issued ordinary share in the capital of the Company shall be treated as one (1) fully paid-up ordinary share of HK\$0.01 in the capital of the Company and the credit amount arising from the Reduction shall be applied to set off the accumulated losses of the Company as of the Effective Date and the balance (if any) shall be transferred to the contributed surplus account of the Company where it may be applied in accordance with the bye-laws of the Company.
- (b) immediately thereafter each of the authorised but unissued shares in the capital of the Company of par value HK\$0.20 each be sub-divided into 20 shares of HK\$0.01 each.
- (c) immediately thereafter the authorised share capital of the Company be diminished from HK\$2,000,000,000 to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each by the cancellation of 190,000,000,000 shares of HK\$0.01 each in the authorised but unissued share capital of the Company.

- (d) immediately thereafter, every ten (10) shares of HK\$0.01 each in both the issued and unissued share capital of the Company be consolidated into one (1) consolidated share of HK\$0.10 each and fractional consolidated shares shall be disregarded and not issued to the shareholders of the Company and that all such fractional entitlements to consolidated shares will be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company.

and that the board of directors of the Company be and are hereby authorised generally to do all acts, deeds and things as they may in their absolute discretion deem appropriate to effect and implement the above.”

For and on behalf of the Board
Zhong Hua International Holdings Limited
Lee Tao Wai
Company Secretary

Hong Kong, 14 November 2008

Registered office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Suite 2911, West Tower
Shun Tak Centre
168-200 Connaught Road Central
Central, Hong Kong

Notes:

1. All resolutions to be considered at the Meeting will be decided by show of hands. At any general meeting on a show of hands every member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Companies Act 1981 of Bermuda), or by proxy shall have one vote and on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.
2. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.

3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
4. The instrument appointing a 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, shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share any one of such joint holder may vote, either in person or 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 the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
6. A form of proxy for use at the Meeting is enclosed.
7. As at the date of this notice, the Board comprises: (i) Mr. Ho Kam Hung as executive Director; (ii) Ms. Lam Kuo and Mr. Young Kwok Sui as non-executive Directors; and (iii) Mr. Lawrence K. Tam, Ms. Wong Miu Ting, Ivy and Mr. Wong Kui Fai as independent non-executive Directors.

* *For identification only*