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中國秦發集團有限公司
CHINA QINFA GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 866)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Qinfa Group Limited (the “**Company**”) will be held at Drawing Room, The Residence, Mezzanine Floor, Grand Hyatt Hotel, 1 Harbour Road, Wan Chai, Hong Kong on 30 May 2012 at 3:00 p.m. for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the directors (the “**Director(s)**”) of the Company and the auditors of the Company for the year ended 31 December 2011.
2. (A) (i) To re-elect Mr. XU Jihua as an executive Director;

(ii) to re-elect Ms. WANG Jianfei as an executive Director; and

(iii) to re-elect Ms. LIU Xiaomei as an executive Director; and

(B) to authorise the board of Directors (the “**Board**”) to determine the remuneration of the Directors.
3. To re-appoint KPMG as auditors of the Company and to authorise the Board to fix their remuneration.

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. To consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:-

4A. “**THAT**:-

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to repurchase issued

shares of the Company of HK\$0.10 each (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, the memorandum and articles of association of the Company (the “**Articles**”) and requirements of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time (the “**Listing Rules**”) be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) shall be in addition to any other authorisations given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the number of Shares to be repurchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the share capital of the Company in issue as of the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) subject to the passing of each of paragraph (a), (b) and (c) of this resolution, any prior approvals of this kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this resolution:-

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:-

- (i) the conclusion of the next annual general meeting of the Company; or*
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles to be held; or*
- (iii) the date upon which the authority set forth in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in general meeting.”*

4B. “THAT:-

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue and otherwise deal with additional Shares of the Company of HK\$0.10 each or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above, shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants, debentures and other securities convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a rights issue (as defined in paragraph (e) below), or (ii) the exercise of any options granted under the share option schemes or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire Shares of the Company approved by the Stock Exchange, or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the Articles, shall not exceed 20% of the share capital of the Company in issue as of the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) subject to the passing of each of paragraph (a), (b) and (c) of this resolution, any prior approvals of this kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this resolution:-

“Relevant Period” shall have the same meaning as ascribed to it under the resolution set forth in paragraph 4A(e) above; and

“Rights issue” means the allotment, issue or grant of Shares pursuant to an offer open for a period fixed by the Directors to holders of the Shares or any class of shares thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or of such class thereof (subject to such exclusions 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

4C. “**THAT**:-

conditional upon the passing of resolutions Nos. 4A and 4B as set out in the notice of this meeting, the general mandate granted to the Directors pursuant to resolution 4B be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the ordinary share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution No. 4A above, PROVIDED THAT such amount shall not exceed 10% of the share capital of the Company in issue as of the date of passing of this resolution.”

By Order of the Board
XU Jihua
Chairman

Hong Kong, 25 April 2012

Notes:

- (1) A form of proxy for the annual general meeting of the Company to be held on 30 May 2012 is enclosed.
- (2) Any member entitled to attend and vote at the annual general 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 the annual general meeting of the Company. A proxy need not be a member of the Company.
- (3) In order to be valid, the form of proxy completed in accordance with the instructions set out therein, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy of that power or authority) must be deposited at the Company’s Hong Kong share registrar, Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting of the Company or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.
- (4) In case of joint holders of any Share, any one of such joint holders may vote at the annual general meeting of the Company, 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 are present at the meeting in person or by proxy, then one of the said persons so present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- (5) A circular containing, inter alia, details of the proposed general mandates to issue and repurchase shares of the Company, information of the retiring directors of the Company who are proposed to be re-elected at the annual general meeting, will be despatched to the shareholders of the Company on 25 April 2012.
- (6) As at the date of this notice, the executive Directors are Mr. XU Jihua (Chairman), Ms. WANG Jianfei (Chief Executive Officer), Ms. LIU Xiaomei and Mr. WENG Li, and the independent non-executive Directors are Dr. QIAN Pingfan, Mr. HUANG Guosheng and Mr. LAU Sik Yuen.