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SHENZHOU INTERNATIONAL GROUP HOLDINGS LIMITED
(申洲國際集團控股有限公司*)

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 2313)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“Annual General Meeting”) of Shenzhou International Group Holdings Limited (“Company”) will be held at 7th Floor, Office Building, No. 18 Yongjiang Road, Economic Technical Development Zone, Beilun District, Ningbo, Zhejiang Province, the People’s Republic of China at 10:00 a.m. on Tuesday, 29 May 2012 to consider and, if thought fit, transact the following business:

ORDINARY BUSINESS

1. to receive and consider the consolidated audited financial statements and the reports of the directors of the Company and the Company’s independent auditors for the year ended 31 December 2011;
2. to approve and declare the payment of a final dividend for the year ended 31 December 2011;
3. to re-elect Mr. Huang Guanlin as director of the Company;
4. to re-elect Mr. Chen Zhongjing as director of the Company;

* *for identification purposes only*

5. to re-elect Mr. Wang Cunbo as director of the Company;
6. to re-elect Mr. Chen Genxiang as director of the Company;
7. to re-elect Mr. Jiang Xianpin as director of the Company;
8. to authorise the board of directors of the Company (the “Board”) to fix the remuneration of the directors;
9. to appoint Ernst & Young as the Company’s auditors and to authorise the Board to fix their remuneration;

and, as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification);

10. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (each, a “Share”) of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of the aforesaid powers after the expiry of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (defined below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

(aa) 20% of the aggregate nominal value of the share capital of the Company in issue on the date of the passing of this resolution; and

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal value of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal value of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution 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 articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (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 of the Company 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 of the Company 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 of the Company 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 recognised regulatory body or any stock exchange outside Hong Kong).”

11. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to repurchase (or agree to repurchase) shares (each, a “Share”) of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, 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) during the Relevant Period shall not exceed 10% of the aggregate nominal value of the issued share capital of the Company as at the date of the passing of this resolution 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 articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
 - (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 of the Company by this resolution.”

12. “**THAT** conditional on the passing of resolutions numbered 10 and 11 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 10 above be and it is hereby extended by the addition to the aggregate nominal value of the shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased or agreed to be repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 11 above.”

SPECIAL RESOLUTION

13. As special business, to consider and, if thought fit, passing, with or without modification, the following resolution as a special resolution:–

“THAT:

(A) the articles of association of the Company currently in effect be and are hereby amended in the following manner:

(a) By amending the existing Article 2 in the following manner:–

(i) by inserting the following new definition of “business day” immediately after the definition of “the Board” or “Director”:-

““business day” a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, or black rainstorm warning, such day shall for the purposes of these Articles be counted as a business day.”;

(ii) by inserting the following new definition of “Hong Kong” immediately after the definition of “head office”:-

““Hong Kong” the Hong Kong Special Administrative Region of the People’s Republic of China.”;

- (iii) by deleting the existing definition of “ordinary resolution” in its entirety and replacing therewith the following new definition of “ordinary resolution”:-

“a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.”;

- (iv) by deleting the existing definition of “special resolution” in its entirety and replacing therewith the following new definition of “special resolution”:-

“a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59;

a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.”;

- (v) by inserting the following new definition of “substantial shareholder” immediately after the definition of “Statutes”:-

““substantial shareholder” a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.”;

(b) Article 10.(c)

By deleting the word “and” and replacing therewith the word “any” in the existing Article 10.(c);

(c) Article 12.(1)

By deleting the words “being a territory or territories” immediately after the words “with registered addresses in any particular territory or territories” in the second sentence of the existing Article 12.(1);

(d) Article 39

By deleting the word “register” and replacing therewith the word “Register” in the last sentence of the existing Article 39;

(e) Article 44

By deleting the words “on every business day” and replacing therewith the words “during business hours” in the first sentence of the existing Article 44.

(f) Article 59.(1)

By deleting the existing Article 59.(1) in its entirety and replacing therewith the following new Article 59.(1):–

“59.(1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days or not less than twenty (20) clear business days, whichever is later, and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days or not less than ten (10) clear business days, whichever is later. All other extraordinary general meetings shall be called by Notice of not less than fourteen (14) clear days or not less than ten (10) clear business days, whichever is later. A general meeting may be called by shorter notice, subject to the Law, if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.”;

(g) Article 66

By deleting the existing Article 66 in its entirety and replacing therewith the following new Article 66:–

“66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting 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. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman may in good faith and in compliance with the rules of the Designated Stock Exchange, allows a resolution which relates purely to

a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative) or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For the purpose of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.”;

(h) Article 67

By deleting the existing Article 67 in its entirety and replacing therewith the following new Article 67:–

“67. Where a resolution is voted on by a show of hands under these Articles and as permitted under the rules of the Designated Stock Exchange, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.”;

(i) Article 68

By deleting the existing Article 68 in its entirety and replacing therewith the following new Article 68:–

“68. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was taken. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”;

(j) Article 69

By deleting the existing Article 69 in its entirety and replacing therewith the words “[intentionally deleted]”;

(k) Article 70

By deleting the existing Article 70 in its entirety and replacing therewith the words “[intentionally deleted]”;

(l) Article 75.(1)

By deleting the words “on a poll” immediately before the words “by proxy” in the existing Article 75.(1);

(m) Article 80

By deleting the word “demanded” and replacing therewith the word “taken” after the words “a poll” in the second sentence of the existing Article 80;

(n) Article 84.(2)

By inserting the words “, where a show of hands is allowed,” immediately before the words “the right to vote individually on a show of hands” in the last sentence of the existing Article 84.(2);

(o) Article 87.(2)

By deleting the words “Article 86(2) or” immediately before the words “Article 86(3)” in the last sentence of the existing Article 87.(2);

(p) Article 103.(1)

(i) By inserting the word “or” at the end of the existing Article 103.(1)(iv);

(ii) By deleting the existing Article 103.(1)(v) in its entirety and replacing therewith the words “[intentionally deleted]”;

(q) Article 103.(2)

By deleting the existing Article 103.(2) in its entirety and replacing therewith the words “[intentionally deleted]”;

(r) Article 103.(3)

By deleting the existing Article 103.(3) in its entirety and replacing therewith the words “[intentionally deleted]”;

(s) Article 115

By deleting the existing Article 115 in its entirety and replacing therewith the following new Article 115:–

“115. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or verbally (including in person or by telephone) or via electronic mail or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.”;

(t) Article 116.(2)

By inserting the word “electronic” immediately before the words “or other communications equipment” in the first sentence of the existing Article 116. (2);

(u) Article 122

By inserting the following sentence immediately after the last sentence of the existing Article 122:–

“Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.”;

(v) Article 154

By inserting the word “or website” immediately after the word “on the Company’s computer network” in the existing Article 154;

(w) Article 155

- (i) By deleting the word “auditor” and replacing therewith the word “Auditor” in the existing Article 155.(1);
- (ii) By deleting the existing Article 155.(2) in its entirety and replacing therewith the following new Article 155.(2):–

“(2) The Company shall not remove the Auditor before the end of the Auditor’s term of office without first obtaining Member’s approval at a general meeting. The Company shall send a circular proposing the removal of the Auditor to Members with any written representations from the Auditor, not less than ten (10) business days before the general meeting. The Company must allow the Auditor to attend the general meeting and make written and/or verbal representation to Members at the general meeting.”; and

- (B) subject to the passing of the special resolution numbered 13(A) set out in this notice, the amended and restated articles of association of the Company consolidating all of the proposed amendments referred to in special resolution numbered 13(A) above and all amendments made pursuant to resolutions passed by shareholders of the Company at previous general meetings produced at the annual general meeting and marked “A” and signed by the Chairman of the meeting for identification purposes be adopted in substitution for, and to the exclusion of, the existing articles of association of the Company with effect from the date of passing such resolution, and that any one Director be and is hereby authorized to do all such things and take all such actions as he/she may consider necessary or desirable for the purpose of giving effect to the adoption of the amended and restated articles of association of the Company.”

For and on behalf of the Board of
Shenzhou International Group Holdings Limited
Ma Jianrong
Chairman

Hong Kong, 27 April 2012

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place

of business in Hong Kong:
Unit 2708, 27th Floor
Billion Plaza
No. 8 Cheung Yue Street
Kowloon
Hong Kong

Notes:

- 1 A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one person as his proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
- 2 To be valid, the form of proxy together with a 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 offices of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time of the above meeting or any adjourned meeting.
- 3 The register of members of the Company will be closed from 24 May 2012 to 29 May 2012, both days inclusive, during which no transfer of shares will be effected. In order to qualify for attending and voting the Annual General Meeting, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 23 May 2012 for registration.

The Register of Members of the Company will be closed from 5 June 2012 to 8 June 2012, both dates inclusive, during such period no transfer of shares will be registered. In order to qualify for the said final dividend which will be resolved and voted at the annual general meeting of the Company, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 4 June 2012.

- 4 In relation to proposed resolutions numbered 10 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders and other than 85,000,000 new shares to be issued pursuant to the Existing General Mandate (as defined in the circular of which this notice of the Annual General Meeting forms part).

- 5 In relation to proposed resolution numbered 11 above, the directors wish to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to this circular of which this notice of the Annual General Meeting forms part.
- 6 In respect of ordinary resolutions numbered 3 to 7 above. Mr. Huang Guanlin, Mr. Chen Zhongjing, Mr. Wang Cunbo, Mr. Chen Genxiang and Mr. Jiang Xianpin shall retire, and being eligible, offered themselves for re-election at the above meeting. Details of the above directors are set out in Appendix II to this circular, of which this notice of the Annual General Meeting forms part.
- 7 Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the Annual General Meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- 8 In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto to if more than one of such joint holders are present at the above 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. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

As at the date of this notice, the Board comprises five executive Directors, namely Mr. Ma Jianrong, Mr. Huang Guanlin, Mr. Ma Renhe, Ms. Zheng Miaohui and Mr. Wang Cunbo; one non-executive Director, Mr. Chen Zhongjing; and three independent non-executive Directors, namely Mr. Zong Pingsheng, Mr. Chen Genxiang and Mr. Jiang Xianpin.