

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



南海控股有限公司*

NAN HAI CORPORATION LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 680)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**SGM**”) of Nan Hai Corporation Limited (the “**Company**”) will be held at Kennedy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 7 December 2012 at 10:45 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (i) the sale and purchase agreement (the “**SP Agreement**”, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) dated 31 October 2012 entered into between Nan Hai Development Limited (the “**Vendor**”), a wholly-owned subsidiary of the Company, and Baitak Asian Shenzhen Peninsula Co., Ltd (the “**Purchaser**”) in relation to the sale and purchase of 30% issued share capital of Listar Properties Limited (“**Listar**”) and 30% of the aggregate amount of the shareholder’s loan owing by Listar to the Vendor as at the date of completion of the SP Agreement at the aggregate consideration of US\$160,380,314 be and are hereby approved, confirmed and ratified; and
- (ii) the directors of the Company be and are hereby authorised on behalf of the Company to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation and/or give effect to any matters relating to the SP Agreement (including but not limited to entering into any supplemental or variation agreement thereto) and the transactions contemplated thereunder.”

* For identification purpose only

2. **“THAT:**

- (i) the letter agreement dated 26 October 2012 and the supplemental letter agreement dated 15 November 2012 (collectively, the **“Letter Agreement”**, a copy of which has been produced to the meeting marked “B” and signed by the chairman of the meeting for the purpose of identification) from Nan Hai Development Limited, a wholly-owned subsidiary of the Company, and Liu Wan Development (BVI) Company Limited (**“LWD”**), a wholly-owned subsidiary of the Company, to Baitak Asian Shenzhen Peninsula Co., Ltd (the **“Purchaser”**) in relation to setting out arrangements as regards repayment in relation to (i) the Murabaha-Tawarruq agreement dated 3 August 2009 entered into between LWD and the Purchaser (as amended and supplemented by a supplemental agreement dated 22 July 2011); and (ii) the Murabaha-Tawarruq agreement dated 22 July 2011 entered into between LWD and the Purchaser be and are hereby approved, confirmed and ratified; and
- (ii) the directors of the Company be and are hereby authorised on behalf of the Company to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation and/or give effect to any matters relating to the Letter Agreement (including but not limited to entering into any supplemental or variation agreement thereto) and the transactions contemplated thereunder.”

3. **“THAT:**

- (i) the transactions contemplated under the following documents (collectively, the **“Transaction Documents”**) to be entered into on the date of completion (the **“Completion”**) of the sale and purchase agreement dated 31 October 2012 entered into between Nan Hai Development Limited (the **“Vendor”**), a wholly-owned subsidiary of the Company, and Baitak Asian Shenzhen Peninsula Co., Ltd (the **“Purchaser”**) be and are hereby approved:
 - (a) the option agreement to be entered into between the Vendor and the Purchaser in relation to the grant of the put option and the call option (a copy of which has been produced to the meeting marked “C” and signed by the chairman of the meeting for the purpose of identification);
 - (b) the shareholders agreement (the **“Shareholders Agreement”**) to be entered into between the Vendor, the Purchaser and Listar in respect of their rights and obligations in Listar (a copy of which has been produced to the meeting marked “D” and signed by the chairman of the meeting for the purpose of identification);
 - (c) the deed of covenant (the **“Deed of Covenant”**) to be entered into between the Vendor, the Purchaser and Listar in relation to certain obligations to be undertaken by the Vendor as regards Listar and its subsidiaries after Completion (a copy of which has been produced to the meeting marked “E” and signed by the chairman of the meeting for the purpose of identification);

- (d) the corporate guarantee to be granted by the Company in favour of the Purchaser to secure all present and future indebtedness, obligations and liabilities (whether actual or contingent and whether owed on a joint and several basis), which are or maybe or may become due or owing by the Vendor or any of Listar, the Company, Mr. Yu Pun Hoi (an executive director and controlling shareholder of the Company), Honest Link Development Limited (“**Honest Link**”), Liu Wan Investment Company Limited (“**Liu Wan Investment**”), Liu Wan Development (BVI) Company Limited (“**LWD**”) and any other person (other than the Purchaser) who is a party to the Transaction Documents (the “**Secured Obligations**”) (a copy of which has been produced to the meeting marked “F” and signed by the chairman of the meeting for the purpose of identification);
- (e) the account charge to be entered into between the Vendor and the Purchaser in relation to the charge on the Vendor’s bank account to secure the Secured Obligations (a copy of which has been produced to the meeting marked “G” and signed by the chairman of the meeting for the purpose of identification);
- (f) the accounts charge to be entered into between Honest Link and the Purchaser in relation to the charge on Honest Link’s bank accounts to secure the Secured Obligations (a copy of which has been produced to the meeting marked “H” and signed by the chairman of the meeting for the purpose of identification);
- (g) the share mortgage to be entered into between Listar, Honest Link and the Purchaser in relation to the mortgage of the entire issued share capital of Honest Link to secure the Secured Obligations (a copy of which has been produced to the meeting marked “I” and signed by the chairman of the meeting for the purpose of identification);
- (h) the share mortgage to be entered into between the Vendor, Listar and the Purchaser in relation to the mortgage of the Vendor’s interest in the issued share capital of Listar to secure the Secured Obligations (a copy of which has been produced to the meeting marked “J” and signed by the chairman of the meeting for the purpose of identification);
- (i) the security assignment to be entered into by the Vendor and the Purchaser in relation to the rights and interest of the Vendor in the SP Agreement, the Shareholders Agreement and the Deed of Covenant to secure the Secured Obligations (a copy of which has been produced to the meeting marked “K” and signed by the chairman of the meeting for the purpose of identification);
- (j) the security assignment to be entered into by the Vendor and the Purchaser in relation to the shareholder’s loan(s) due and owing to the Vendor from Listar to secure the Secured Obligations (a copy of which has been produced to the meeting marked “L” and signed by the chairman of the meeting for the purpose of identification);

- (k) the security assignment to be entered into by Listar and the Purchaser in relation to the shareholder's loan(s) due and owing to Listar from Honest Link to secure the Secured Obligations (a copy of which has been produced to the meeting marked "M" and signed by the chairman of the meeting for the purpose of identification);
- (l) the security assignment to be entered into by Honest Link and the Purchaser in relation to the shareholder's loan(s) due and owing to Honest Link from 廣州東鏡新城房地產有限公司 (Guangzhou Dongjing Xincheng Properties Co., Ltd.) (the "**Project Company**") to secure the Secured Obligations (a copy of which has been produced to the meeting marked "N" and signed by the chairman of the meeting for the purpose of identification);
- (m) the share mortgage to be entered into between the Vendor, LWD and the Purchaser in relation to the mortgage of the entire issued share capital of LWD to secure the Secured Obligations (a copy of which has been produced to the meeting marked "O" and signed by the chairman of the meeting for the purpose of identification);
- (n) the share mortgage to be entered into between LWD, Liu Wan Investment and the Purchaser in relation to the mortgage of the entire issued share capital of Liu Wan Investment to secure the Secured Obligations (a copy of which has been produced to the meeting marked "P" and signed by the chairman of the meeting for the purpose of identification);
- (o) the security assignment in relation to the shareholder's advances from LWD to Liu Wan Investment and 深圳南海益田置業有限公司 (Shenzhen Nanhai Yitian Realty Company Limited) ("**Nanhai Yitian**") to be entered into between LWD and the Purchaser to secure the Secured Obligations (a copy of which has been produced to the meeting marked "Q" and signed by the chairman of the meeting for the purpose of identification);
- (p) the security assignment in relation to the shareholder's advances from Liu Wan Investment and Nanhai Yitian to be entered into between Liu Wan Investment to the Purchaser to secure the Secured Obligations (a copy of which has been produced to the meeting marked "R" and signed by the chairman of the meeting for the purpose of identification);
- (q) the accounts charge to be entered into between LWD and the Purchaser in relation to the charge on LWD's bank accounts to secure the Secured Obligations (a copy of which has been produced to the meeting marked "S" and signed by the chairman of the meeting for the purpose of identification); and
- (r) the account charge to be entered into between Liu Wan Investment and the Purchaser in relation to the charge on Liu Wan Investment's bank account to secure the Secured Obligations (a copy of which has been produced to the meeting marked "T" and signed by the chairman of the meeting for the purpose of identification); and

- (ii) the directors of the Company be and are hereby authorised on behalf of the Company to do all such things and sign, seal, execute, perfect and deliver all such documents as they may in their discretion consider necessary, desirable or expedient, for the purposes of or in connection with the implementation and/or give effect to any matters relating to the Transaction Documents (including but not limited to entering into any supplemental or variation agreement thereto) and the transactions contemplated thereunder.”

By order of the Board
Nan Hai Corporation Limited
Watt Ka Po James
Company Secretary

Hong Kong, 21 November 2012

Notes:

1. Any shareholder of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his/her proxy to attend and vote on his/her behalf in accordance with the bye-laws of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. In order to be valid, the form of proxy together with the 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 lodged with the branch share registrar of the Company in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
3. Where there are joint registered holders of any share(s), any one of such joint holders may attend and vote at the SGM, either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the SGM or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. 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.
4. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof if he/she so desires. If a shareholder of the Company attends the SGM after having deposited the form of proxy, his/her form of proxy will be deemed to have been revoked.
5. Voting of the ordinary resolutions as set out in this notice will be by poll.
6. As at the date of this notice, the directors of the Company are:

Executive directors:

Mr. Yu Pun Hoi
Ms. Chen Dan
Ms. Liu Rong

Non-executive directors:

Mr. Wang Gang
Mr. Lam Bing Kwan

Independent non-executive directors:

Mr. Huang Yaowen
Prof. Jiang Ping
Mr. Lau Yip Leung