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宏华集团
HONGHUA GROUP

Honghua Group Limited
宏 華 集 團 有 限 公 司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 196)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting ("**EGM**") of Honghua Group Limited (the "**Company**") will be held at Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 20 December 2018 at 9:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

"**THAT**:

1. (a) the Equity Disposal on Offshore Segment, comprising of Jiangsu Offshore Agreement, Shanghai Offshore Agreement, FSP and Tank Tek Agreement and Prime Agreement and the transactions contemplated thereunder be and are hereby approved; and

   (b) any one director be and is hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable for the purposes of or in connection with or to give effect to the aforesaid Equity Disposal on Offshore Segment and the related agreements and the transactions contemplated thereunder.

2. (a) the debt arrangement for the Offshore Segment, comprising of Domestic Debt Repayment Agreement, Overseas Debt Repayment Agreement and their ancillary arrangements (including Debt Security Agreement, Borrowing Agreement and Shareholders Agreement) and the transactions contemplated thereunder be and are hereby approved; and

   (b) any one director be and is hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable for the purposes of or in connection with or to give effect to the aforesaid debt arrangement for the Offshore Segment and the related agreements and the transactions contemplated thereunder.

3. (a) SIIC Guarantee and the transactions contemplated thereunder be and are hereby approved; and

   (b) any one director be and is hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as he may in his discretion consider necessary or desirable for the purposes of or in connection with or to give effect to the SIIC Guarantee and the transactions contemplated thereunder."

By order of the Board
Honghua Group Limited
Jin Liliang
Chairman

Hong Kong, 4 December 2018

Registered office:
Clifton House, 75 Fort Street
PO Box 1350, Grand Cayman
KY1-1108, Cayman Islands

Head Office:
99 East Road,
Information Park
Jinniu District, Chengdu
Sichuan
People's Republic of China
Post code: 610036

Principal place of business in Hong Kong:
Room 2508,
Harcourt House
39 Gloucester Road
Wan Chai, Hong Kong

Notes:

1. A member of the Company who is entitled to attend and vote at the EGM convened by the above notice is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company but must attend in person to represent the member. 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. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. Every member present in person or by proxy shall be entitled to one vote for each share held by him.

2. In order to be valid, the form of proxy together with the power of attorney or other authority under which it is signed or a certified copy of such power of attorney or authority, must be deposited at the Company's Hong Kong branch share registrar and transfer office in Hong Kong, 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 for holding the EGM or any adjournment thereof. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

3. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the EGM, either personally 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 the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of shareholders of the Company in respect of such share shall alone be entitled to vote in respect thereof.

4. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 17 December 2018 to Thursday, 20 December 2018, both dates inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 14 December 2018.

5. Unless the context requires otherwise, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 4 December 2018.

As at the date hereof, the executive directors of the Company are Mr. Jin Liliang (Chairman), Mr. Zhang Mi and Mr. Ren Jie, the non-executive directors of the Company are Mr. Han Guangrong and Mr. Chen Wenle, and the independent non-executive directors of the Company are Mr. Liu Xiaofeng, Mr. Chen Guoming, Ms. Su Mei, Mr. Poon Chiu Kwok, Mr. Chang Qing and Mr. Wu Yuwu.