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HARMONIC STRAIT FINANCIAL HOLDINGS LIMITED

和協海峽金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 33)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Harmonic Strait Financial Holdings Limited (the “**Company**”) will be held at 3:00 p.m. on 25 January 2016 at Unit B, 35/F., No. 169 Electric Road, North Point, Hong Kong to consider and, if thought fit, approve, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the subscription agreement (the “**Subscription Agreement**”) dated 5 November 2015 (a copy of the Subscription Agreement has been produced to the Meeting marked “A” and initialled by the Chairman for the purpose of identification) and entered into between the Company, Internet Finance Investment Co. Ltd. and Ms. Cheung Kwan, in relation to the subscription for (i) 1,000,000,000 new ordinary shares of HK\$0.10 each in the capital of the Company (the “**Subscription Shares**”) at the subscription price of HK\$0.10 per Subscription Share (the “**Subscription Price**”) and (ii) the convertible bonds in the principal amount of HK\$100,000,000 (the “**Convertible Bonds**”), which entitle the holder(s) thereof to convert the principal amount into ordinary shares of HK\$0.10 each in the capital of the Company (the “**Conversion Share(s)**”) at the initial conversion price of HK\$0.10 per Conversion Share, and the transactions contemplated thereunder (including but not limited to (i) the allotment and issue of the Subscription Shares; and (ii) the issue of the Convertible Bonds), be and are hereby approved, confirmed and ratified;
- (b) subject to the fulfilment or waiver of the conditions precedent set out in the Subscription Agreement, the directors (the “**Directors**”) of the Company be and are hereby granted a specific mandate to allot and issue (i) 1,000,000,000 Subscription Shares credited as fully paid at the Subscription Price pursuant to the terms and conditions of the Subscription Agreement; and (ii) all the Conversion Shares upon full conversion of the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds; and

- (c) any one Director be and is hereby authorised to sign and execute such documents, including under seal where applicable, and do all such acts and things, as he/she considers necessary, desirable or expedient in connection with the implementation of or giving effect to the Subscription Agreement and the transactions contemplated thereunder.”
2. “**THAT** Mr. Xie Li be and is hereby re-elected as an executive director of the Company.”
 3. “**THAT** Mr. Ho Chun Chung, Patrick be and is hereby re-elected as an independent non-executive director of the Company.”
 4. “**THAT** Mr. Zhang Huadi be and is hereby re-elected as an independent non-executive director of the Company.”
 5. “**THAT** Dr. Wang Edward Xu be and is hereby re-elected as a non-executive director of the Company.”

Yours faithfully
By Order of the Board
Harmonic Strait Financial Holdings Limited
Tong Nai Kan
Chairman

Hong Kong, 8 January 2016

Registered office:

P.O. Box 309
Ugland House
South Church Street
George Town
Grand Cayman, KY1-1104
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit B, 35/F.
No. 169 Electric Road
North Point
Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or materially certified copy of such powers of attorney or authority, must be deposited with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjourned Meeting.
3. A form of proxy for use at the EGM is enclosed. Whether or not you propose to attend the EGM in person, you are strongly advised to complete and sign the form of proxy in accordance with the instructions printed on it and then deposit with the Company’s branch share registrar and transfer office in Hong Kong as indicated above. Returning the completed form of proxy will not preclude you from attending the EGM and voting in person if you so wish.

4. If two or more persons are jointly registered as holders of a share, the vote of the senior person who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders. For this purpose seniority shall be determined by the order in which the names stand on the Company's register of shareholders in respect of the relevant shares.
5. A shareholder holding more than one share entitled to attend and vote at the EGM need not cast the votes in respect of such shares in the same way on any resolution and therefore may vote a share or some or all such shares either for or against a resolution and/or abstain from voting a share or some or all of the shares and, subject to the terms of the instrument appointing any proxy, a proxy appointed under one or more instruments may vote a share or some or all of the shares in respect of which he is appointed either for or against a resolution and/or abstain from voting.

As at the date of this notice, the Board comprises four executive directors, namely Mr. Tong Nai Kan, Mr. Wong Kwong Sum, Mr. Xie Li and Mr. Zhao Tieliu; one non-executive director, Dr. Wang Edward Xu; and four independent non-executive directors, namely Mr. Cheung Wah Keung, Mr. Anthony Espina, Mr. Zhang Huadi and Mr. Ho Chun Chung, Patrick.