

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.



Silver Base Group Holdings Limited

銀基集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 886)

(1) RESIGNATION OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

(2) APPOINTMENT OF CHIEF EXECUTIVE OFFICER AND

(3) CHANGE OF COMPOSITION OF VARIOUS BOARD COMMITTEES AND CHANGE IN AUTHORISED REPRESENTATIVE

The Board announces that in order to comply with the new requirements of Rule 3.10A of the Listing Rules and have more personal time, Mr. Guan Huanfei has resigned as executive Director and chief executive officer of the Company respectively with effect from 31 December 2012. Accordingly, the composition of various board committees and corporate positions have also been changed. Details are set out hereinbelow.

RESIGNATION OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The board (the “**Board**”) of directors (the “**Directors**”) of Silver Base Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that in order to comply with the new requirements of Rule 3.10A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and have more personal time, Mr. Guan Huanfei (“**Mr. Guan**”) has resigned as executive Director and chief executive officer of the Company respectively with effect from 31 December 2012. Following his resignation, the Board will have four executive Directors, two non-executive Directors and three independent non-executive Directors and will be in compliance with the new requirements of Rule 3.10A of the Listing Rules that independent non-executive Directors must represent at least one-third of the Board.

Mr. Guan has also resigned as the authorised representative as required under Rule 3.05 of the Listing Rules, member of the remuneration committee, member of the compliance committee and member of the nomination committee of the Company with effect from the same date.

Mr. Guan will be engaged as a senior consultant of the Company following his resignation from the Board.

Mr. Guan has confirmed that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the Stock Exchange and/or the shareholders of the Company in relation to his resignation.

The Board would like to express its sincere gratitude to Mr. Guan for his efforts and valuable contribution to the development of the Company during his tenure of office.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Meanwhile, the Board announces that Mr. Liang Guoxing (“**Mr. Liang**”), an executive Director and the chairman of the Company, has been appointed as the chief executive officer of the Company, with effect from 31 December 2012.

The Board notes that the separation of the roles of chairman and chief executive is a requirement of the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

As the Board meets regularly to consider matters relating to business operations of the Group, the Board is of the view that the above appointment will not impair the balance of power and authority of the Board and the executive management. The effectiveness of corporate planning and implementation of corporate strategies and decisions will not be affected.

The Board also believes that with the substantial experience of Mr. Liang in sale of Chinese liquor in the PRC market, the appointment of Mr. Liang as the chief executive officer of the Company will strengthen the Group’s sales and marketing capabilities.

Particulars of Mr. Liang are set out below:

Mr. Liang, aged 46, was appointed as an executive Director on 12 September 2007, is the founder and chairman of the Group. Mr. Liang is also a member of the remuneration committee and the nomination committee of the Company, a director of others subsidiaries of the Company and a substantial shareholder of the Company. Mr. Liang has 15 years of experience in the sales and distribution of Chinese liquor and cigarettes. Mr. Liang is a standing committee member of the 11th Session of the Chinese People’s Political Consultative Conference, Zhanjiang and a member of the 10th Session of the Chinese People’s Political Consultative Conference, Guangdong Province. He is also a fellow member of the Hong Kong Institute of Directors.

Mr. Liang has previously entered into a service contract with the Company for his appointment as an executive Director and the chairman of the Company for a term of three years commencing from 12 September 2010. Mr. Liang will not receive any additional emoluments in respect of his appointment as the chief executive officer of the Company. Mr. Liang's annual remuneration for the financial year ended 31 March 2012 was HK\$30,393,600 which was determined by the Company with reference to his duties and level of responsibilities and the remuneration policy of the Company and the then prevailing market conditions.

Save as disclosed above, Mr. Liang did not hold any other positions with the Company or other members of the Group. Mr. Liang has not held any directorship in other listed companies in Hong Kong or overseas in the last three years and does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Liang was interested and deemed to be interested in 642,384,250 shares in the Company, representing approximately 52.67% of the existing issued share capital of the Company by virtue of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

Save as disclosed above, Mr. Liang does not have any other interests in shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, the Board is not aware of any other matters in relation to the appointment of Mr. Liang as the chief executive officer of the Company that need to be brought to the attention of the holders of securities of the Company nor is there any information to be disclosed by the Company pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules.

CHANGE OF COMPOSITION OF VARIOUS BOARD COMMITTEES AND CHANGE IN AUTHORISED REPRESENTATIVE

To fill the vacancies of the remuneration committee and the compliance committee of the Company arising from Mr. Guan's departure, the Board has appointed Ms. Cheung Mei Sze ("**Ms. Cheung**"), an executive Director, as member of the remuneration committee and member of the compliance committee of the Company with effect from 31 December 2012.

Ms. Cheung has also been appointed as an authorised representative as required under Rule 3.05 of the Listing Rules of the Company with effect from 31 December 2012.

By Order of the Board
Silver Base Group Holdings Limited
Liang Guoxing
Chairman

Hong Kong, 31 December 2012

As at the date of this announcement, the Board comprises Mr. Liang Guoxing (Chairman), Mr. Wang Jindong, Mr. Joseph Marian Laurence Ozorio and Ms. Cheung Mei Sze as executive Directors; Mr. Wu Jie Si and Mr. Chen Sing Hung Johnny as non-executive Directors; and Mr. Hung Sui Kwan, Mr. Ma Lishan and Mr. Zhang Min as independent non-executive Directors.