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If you have sold or transferred all your shares in Silver Base Group Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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) PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;**
- (2) PROPOSED RE-ELECTION OF DIRECTORS;**
- (3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATIONS;**
- (4) PROPOSED BONUS ISSUE OF SHARES; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (“Annual General Meeting”) to be held at Taishan Room, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 20 August 2012 at 2:30 p.m. is set out on pages 20 to 28 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

10 July 2012

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EXPECTED TIMETABLE

2012

Closure of register of members of the Company for entitlement to attend the Annual General Meeting	Friday, 17 August 2012 to Monday, 20 August 2012
Latest time to return form of proxy for the Annual General Meeting	2:30 p.m. on Saturday, 18 August 2012
Date and time of the Annual General Meeting	2:30 p.m. on Monday, 20 August 2012
Register of members of the Company re-opens	Tuesday, 21 August 2012
Last day of dealings in the Shares with cum-entitlements to the Bonus Issue	Tuesday, 21 August 2012
First day of dealings in the Shares with ex-entitlements to the Bonus Issue	Wednesday, 22 August 2012
Latest time for lodging transfers of the Shares for entitlements to the Bonus Issue	4:30 p.m. on Thursday, 23 August 2012
Closure of register of members of the Company for entitlement to the Bonus Issue	Friday, 24 August 2012 to Monday, 27 August 2012
Record Date for determination of entitlements to the Bonus Issue	Monday, 27 August 2012
Register of members of the Company re-opens	Tuesday, 28 August 2012
Certificates for the Bonus Shares expected to be despatched	Friday, 31 August 2012
Dealing in Bonus Shares commence	Monday, 3 September 2012

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be convened and held on Monday, 20 August 2012 at 2:30 p.m. or any adjournment thereof
“Article(s)” or “Articles of Association”	the article(s) of association of the Company, as amended, modified or otherwise supplemented from time to time
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares on the basis of 1 Bonus Share for every 40 existing Shares held on the Record Date by the Shareholders
“Bonus Shares”	the new Shares to be allotted, issued and credited as fully paid-up Shares under the Bonus Issue
“Company”	Silver Base Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Excepted Shareholders”	those Overseas Shareholders whom the Board, after making enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant body or stock exchange in that place not to extend the Bonus Issue to them
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with new Shares as set out in the notice of the Annual General Meeting

DEFINITIONS

“Latest Practicable Date”	4 July 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“Overseas Shareholders”	holders of Shares whose addresses as shown on the register of members on the Record Date are in jurisdictions outside Hong Kong
“PRC”	the People’s Republic of China
“Qualifying Shareholders”	holders of Shares whose names are shown on the register of members of the Company on the Record Date (and not being Excepted Shareholders), who are entitled to participate in the Bonus Issue
“Record Date”	Monday, 27 August 2012, being the record date for determination of entitlements to the Bonus Issue
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares as set out in the notice of the Annual General Meeting
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Liang Guoxing (*Chairman*)
Guan Huanfei
Wang Jindong
Joseph Marian Laurence Ozorio
Cheung Mei Sze

Registered office:

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

Non-executive Directors:

Wu Jie Si
Chen Sing Hung Johnny

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

27th Floor
The Sun's Group Centre
200 Gloucester Road
Wanchai
Hong Kong

Independent non-executive Directors:

Hung Sui Kwan
Ma Lishan
Zhang Min

10 July 2012

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATIONS;
(4) PROPOSED BONUS ISSUE OF SHARES; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the Annual General Meeting involving (1) the general mandates to allot, issue and deal with additional Shares and to repurchase Shares; and (2) the re-election of retiring Directors; (3) the amendments to the Articles of Association; and (4) the proposal for the Bonus Issue.

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 8 August 2011, the Directors were granted a general mandate to allot and issue Shares and a general mandate to repurchase Shares. These mandates will expire at the conclusion of the Annual General Meeting.

Issue Mandate

At the Annual General Meeting, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the Issue Mandate) to allot, issue and deal with new Shares or underlying shares of the Company (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Articles of Association) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the issued Shares as at the date of granting of the Issue Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the Issue Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 1,190,000,000 Shares in issue. Subject to the passing of the resolutions for the approval of the Issue Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed under the general mandate to allot, issue and deal with a maximum of 238,000,000 Shares.

Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 119,000,000 Shares.

The Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate if granted, shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate up to (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, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the Issue Mandate (including the extended Issue Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

LETTER FROM THE BOARD

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Wang Jindong (executive Director), Ms. Cheung Mei Sze (executive Director), Mr. Wu Jie Si (non-executive Director) and Mr. Hung Sui Kwan (independent non-executive Director) shall retire by rotation and, being eligible, have offered themselves for re-election at the Annual General Meeting. The Nomination Committee has also recommended their re-election to the Board.

The Nomination Committee is also responsible for, inter alia, assessing the independence of independent non-executive Directors. On 26 June 2012, the Nomination Committee assessed and reviewed the independent non-executive Directors' annual confirmations of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and affirmed that all independent non-executive Directors including, Mr. Hung Sui Kwan, remained independent.

Particulars of each of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Stock Exchange has amended the Listing Rules relating to, among other things, the articles of association or equivalent constitutional documents of listed issuers. The amendments to the Listing Rules had come into effect on 1 January 2012 and 1 April 2012. Accordingly, the Directors propose to seek the approval of the Shareholders by way of special resolutions for the amendments to the existing Articles of Association at the Annual General Meeting, so as to bring the constitution of the Company in line with current amendments made to the Listing Rules.

The major proposed amendments include the following:

- (i) to require a physical board meeting in lieu of written resolutions where a Director or substantial Shareholder has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material;
- (ii) to no longer permit a Director to disregard 5% interests when considering whether the Director has a material interest which would prevent him from forming part of the quorum or voting at board meeting; and
- (iii) to allow the chairman at a general meeting to exempt procedural and administrative matters from voting by poll.

Details of the amendments to the Articles of Association are set out in the notice of the Annual General Meeting.

LETTER FROM THE BOARD

The legal advisers to the Company as to Hong Kong laws and the laws of the Cayman Islands have respectively confirmed that the proposed amendments to the Articles of Association comply with the requirements of the Listing Rules and do not violate the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the proposed amendments to the Articles of Association for a Cayman Islands company listed on the main board of the Stock Exchange.

Shareholders are advised that the Articles of Association are available only in English and the Chinese translation of the amendments to the Articles of Association provided in the notice of the Annual General Meeting in Chinese is for reference only. In case of any inconsistency, the English version shall prevail.

PROPOSAL FOR THE BONUS ISSUE

Reference is made to the annual results announcement of the Company dated 26 June 2012, in which the Board announced that it had resolved to propose a Bonus Issue to the Shareholders in recognition of the continual support of the Shareholders.

The Bonus Issue is proposed to be made to the Shareholders whose names appear on the register of members of the Company on the Record Date. The terms of the Bonus Issue are set out below:

Basis of Bonus Issue

Subject to the conditions as set out under the heading “Conditions of Bonus Issue” below, the Bonus Issue is proposed to be made on the basis of 1 Bonus Share for every 40 existing Shares held on the Record Date by the Shareholders. The Bonus Shares will be issued and credited as fully paid at par, by capitalization of such amount standing to the credit of the contributed surplus of the Company. On the basis of 1,190,000,000 existing Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or purchased before the Record Date, 29,750,000 Bonus Shares will be issued under the Bonus Issue (representing 2.5% of the issued share capital as at the Latest Practicable Date), and HK\$2,975,000 standing to the credit of the share premium account of the Company will be capitalized for paying up 29,750,000 Bonus Shares in full at par.

Record Date and closure of register of members

The Bonus Shares will be issued to the Qualifying Shareholders. Arrangement for the Excepted Shareholders are further elaborated below under the heading “Excepted Shareholders”.

The register of members of the Company will be closed from Friday, 24 August 2012 to Monday, 27 August 2012, both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Monday, 27 August 2012 will be entitled to receive the Bonus Shares (subject to Shareholders’ approval at the Annual General Meeting). In order to qualify for the Bonus Issue, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investors Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on (Hong Kong Time) on Thursday, 23 August 2012. Bonus Shares will be allotted and issued to the Qualifying Shareholders on or around Friday, 31 August 2012, subject to Shareholders’ approval at the Annual General Meeting.

LETTER FROM THE BOARD

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date. The Company will make an announcement when the number of Bonus Shares is determined.

Reasons for the proposed Bonus Issue

In recognition of the continual support of the Shareholders, the Board decided to propose the Bonus Issue. In addition to that, the Directors believe that the Bonus Issue allows the Shareholders to participate in the business growth of the Company by capitalization of part of the contributed surplus.

Excepted Shareholders

For those Overseas Shareholders, enquiry will be made by the Board pursuant Rule 13.36(2)(a) of the Listing Rules. Upon such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Excepted Shareholders.

In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Excepted Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Excepted Shareholders, if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

As at the Latest Practicable Date, the Company does not have any Overseas Shareholders.

Status of Bonus Shares

The Bonus Shares, upon issued, will rank pari passu with the Shares then existing in all respects, including the entitlement of receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those Bonus Shares other than the right to receive the final dividend and participate in the Bonus Issue for the year ended 31 March 2012.

Fraction of Bonus Shares

The total number of Bonus Shares to be issued to any Shareholders will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be cancelled by the Company.

LETTER FROM THE BOARD

Conditions of Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the Annual General Meeting; and
- (ii) the Stock Exchange granting the listings of, and permission to deal in, the Bonus Shares.

Application will be made to the Stock Exchange in respect of such listings of, and permission to deal in, the Bonus Shares. Apart from making listing application to the Stock Exchange, the Board does not propose to make application to any other stock exchanges for the listing of and permission to deal in, the Bonus Shares. The Shares in issue are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

Certificates for Bonus Shares

It is expected that certificates for the Bonus Shares will be posted on or around Friday, 31 August 2012 after all the conditions have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. Dealings in the Bonus Shares are expected to commence on Monday, 3 September 2012.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at Taishan Room, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 20 August 2012 at 2:30 p.m. is set out on pages 20 to 28 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

All the resolutions proposed to be approved at the Annual General Meeting will be taken by poll and an announcement will be made by the Company after the Annual General Meeting on the results of the Annual General Meeting.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS AND DECLARATION OF FINAL DIVIDEND AND BONUS ISSUE

In order to ascertain the entitlement to attend the Annual General Meeting, the register of members of the Company will be closed from Friday, 17 August 2012 to Monday, 20 August 2012 (both days inclusive) during which period no transfer of Shares can be registered. Shareholders are reminded that in order to qualify for attending and voting at the Annual General Meeting, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged for registration 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 not later than 4:30 p.m. (Hong Kong time) on Thursday, 16 August 2012.

The last day for dealing in Shares on a cum-entitlement basis to the proposed final dividend and Bonus Issue for the year ended 31 March 2012 will be on Tuesday, 21 August 2012. In order to ascertain the entitlement to receive the final dividend and the Bonus Issue for the year ended 31 March 2012, the register of members of the Company will be closed from Friday, 24 August 2012 to Monday, 27 August 2012 (both days inclusive) during which period no transfer of Shares can be registered. Shareholders are reminded that in order to qualify for the proposed final dividend and the Bonus Issue for the year ended 31 March 2012, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged for registration 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 not later than 4:30 p.m. (Hong Kong time) on Thursday, 23 August 2012.

Please also refer to the Company's annual report for the year ended 31 March 2012 in relation to the declaration of the final dividend and the Bonus Issue.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of Annual General Meeting are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

GENERAL

Your attention is drawn to the additional information set out in the Appendices to this circular.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution to be proposed at the Annual General Meeting.

Yours faithfully,
On behalf of the Board
Silver Base Group Holdings Limited
Liang Guoxing
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. Repurchase of securities from connected parties

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company nor have any such connected persons undertaken not to sell any of the Shares held by them to the Company in the event that the Repurchase Mandate is passed.

2. Share capital

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,190,000,000 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 119,000,000 fully paid Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution.

3. Reasons for the repurchase

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

Repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the applicable laws of the Cayman Islands, the memorandum of association of the Company and the Articles of Association and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 March 2012, being the date of its latest published audited consolidated financial statements. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. Share prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
July	8.69	7.14
August	8.00	6.62
September	8.60	6.86
October	8.49	5.77
November	8.46	6.84
December	7.29	6.19
2012		
January	6.71	6.25
February	7.31	5.83
March	5.93	5.36
April	4.82	3.91
May	4.50	3.60
June	3.88	3.12
July (up to the Latest Practicable Date)	3.43	3.22

6. Disclosure of interests and minimum public holding

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the Annual General Meeting.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the memorandum of association of the Company and the Articles of Association and the applicable laws of the Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders were interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Position	Nature of Interests	Percentage holding
Liang Guoxing	690,957,000 (Note 1)	Long	Interest in controlled corporation and beneficial object of a discretionary trust	58.06%
Keen Pearl Limited	222,457,000 (Note 2)	Long	Beneficial Owner	18.69%
Yinji Investments Limited	468,500,000 (Note 3)	Long	Beneficial Owner	39.37%
Grand Base Holdings Limited	468,500,000 (Note 3)	Long	Interest in controlled corporation	39.37%
HSBC International Trustee Limited	468,500,000 (Note 3)	Long	Trustee of discretionary trust	39.37%
Luo Li	468,500,000 (Note 3)	Long	Beneficial object of a discretionary trust	39.37%
Liang Gia Li Melody	468,500,000 (Note 3)	Long	Beneficial object of a discretionary trust	39.37%

Notes:

1. This represents the interests in 222,457,000 Shares held by Keen Pearl Limited and 468,500,000 Shares held by Yinji Investments Limited.
2. These Shares were held by Keen Pearl Limited, a company incorporated in the British Virgin Islands and the entire issued share capital of which was owned by Mr. Liang Guoxing.
3. These Shares were held by Yinji Investments Limited. The entire issued share capital of Yinji Investments Limited was beneficially owned by Grand Base Holdings Limited, a company incorporated in the British Virgin Islands and indirectly owned by a discretionary trust, the beneficiaries of which were Mr. Liang Guoxing, Ms. Luo Li, the spouse of Mr. Liang Guoxing, and Miss Liang Gia Li Melody, the daughter of Mr. Liang Guoxing. HSBC International Trustee Limited was deemed to be interested in the Shares in the capacity of a trustee of the discretionary trust as aforementioned.

On the basis of the shareholdings in the Company as at the Latest Practicable Date as shown above where the substantial Shareholders together with their associates are interested in approximately 58.06% of the issued share capital of the Company, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases made under the Repurchase Mandate.

At as the Latest Practicable Date, the Directors have no intention to exercise any of the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

7. Shares repurchase made by the Company

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Details of the Directors who will retire from office at the Annual General Meeting and being eligible, will offer themselves for re-election at the Annual General Meeting, are set out below:

(1) Mr. Wang Jindong (“Mr. Wang”) – Executive Director

Mr. Wang Jindong, aged 53, was appointed as an executive Director on 1 April 2010. He joined the Group in November 2008. He is the chief financial officer of the Group. Mr. Wang is responsible for overseeing the investment, legal and financial affairs, as well as general business development of the Group. Mr. Wang is currently a postgraduate student for a part-time Master’s degree in Economics at the Central University of Finance and Economics (中央財經大學), majoring in capital operation and investment and financing directions. He graduated from the Guangdong Radio and TV University (廣東廣播電視大學) with a Bachelor’s degree in Accountancy and is a qualified accountant in the PRC. Mr. Wang has more than 30 years of experience in accounting and administration in government organisation and the state-owned enterprise in the PRC as well as overseas enterprises, including the Guangdong Administration of Coal Geology (廣東煤田地質局), Shenzhen Jewellery City Enterprise Company Limited (深圳市珠寶城企業有限公司) and K&M Asia Limited.

Mr. Wang has entered into a service contract with the Company for a term of three years commencing from 1 April 2010 and his current annual remuneration is RMB980,000 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.

Mr. Wang does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company and did not hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, Mr. Wang did not have any interest in the Shares and/or option of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Mr. Wang that need to be brought to the attention of the Shareholders nor is there any information relating to Mr. Wang that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(2) Ms. Cheung Mei Sze (“Ms. Cheung”) – Executive Director

Ms. Cheung Mei Sze, aged 39, was appointed as an executive Director on 6 March 2008. She is the Head of Finance of the Group and a director of a subsidiary of the Company. Ms. Cheung joined the Group in September 2000 and is responsible for the financial and accounting affairs of the Group. Prior to joining the Group, Ms. Cheung was an assistant supervisor in Ting Ho Kwan & Chan, a CPA firm. Ms. Cheung holds a Bachelor’s degree in Arts majoring in accountancy from the Hong Kong Polytechnic University.

Ms. Cheung has entered into a service contract with the Company for a term of three years commencing from 6 March 2011 and her annual remuneration is HK\$1,040,000 which was determined by the Company with reference to her duties and level of responsibilities and the remuneration policy of the Company and the then prevailing market conditions.

Ms. Cheung does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company and did not hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, Ms. Cheung did not have any interest in the Shares and/or option of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Ms. Cheung that need to be brought to the attention of the Shareholders nor is there any information relating to Ms. Cheung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(3) Mr. Wu Jie Si (“Mr. Wu”) – Non-executive Director

Mr. Wu Jie Si, aged 60, was appointed as a non-executive Director on 6 March 2008. Mr. Wu has over 20 years of experience in finance and corporate management in the PRC. From 1984 to 1995, Mr. Wu served in numerous positions in the Industrial and Commercial Bank of China (“ICBC”), including the president of ICBC Shenzhen Branch. From 1995 to 1998, Mr. Wu served as the deputy mayor of the Shenzhen Municipal Government. From 1998 to 2000, Mr. Wu served as the assistant to the governor of Guangdong Province.

From 12 February 2000 to 8 May 2001, Mr. Wu joined Guangdong Enterprise (Holdings) Limited (“GDE”) as a director during the process of assisting its debt restructuring. Mr. Wu ceased to be a director of GDE shortly after the closing of its debt restructuring on 22 December 2000. From 2000 to 2005, Mr. Wu was appointed as the chairman of Guangdong Yue Gang Investment Holdings Company Limited (廣東粵港投資控股有限公司) and GDH Limited (廣東控股有限公司). Mr. Wu has been appointed in various positions in companies listed on the Stock Exchange and the New York Stock Exchange. Mr. Wu served as the chairman of Guangdong Investment Limited (stock code: 270) (“GDI”) from March 2000 to March 2001, as a director of GDI from March 2000 to April 2005 and as the honorary president of GDI from March 2001 to April 2005. Mr. Wu also served as a director and honorary president of Guangdong Tannery Limited (stock code: 1058) from February 2004 to April 2005. Both companies are listed on the main board of the Stock Exchange. While Mr. Wu was serving as the chairman and then an honorary president of GDI, GDI and its subsidiaries underwent a debt restructuring, details of which were included in GDI’s announcements dated 23 December 2000 and 6 May 2003.

From April 2005 to January 2008, Mr. Wu was appointed as the executive director and from June 2005 to January 2008, Mr. Wu was appointed as the managing director and the chief executive officer of Hopson Development Holdings Limited (stock code: 754) which is listed on the main board of the Stock Exchange. From September 2005 to July 2011, Mr. Wu served as an independent non-executive director of China Merchants Bank Co., Ltd (stock code: 3968).

From May 2007 to August 2008, Mr. Wu also served as an independent non-executive director of Yingli Green Energy Holding Company Limited (stock code: YGE) which is listed on the New York Stock Exchange. Mr. Wu is currently an independent non-executive director of Beijing Enterprises Holdings Limited (stock code: 392) and China Taiping Insurance Holdings Company Limited (formerly known as “China Insurance International Holdings Company Limited”) (stock code: 966), companies listed on the main board of the Stock Exchange. Mr. Wu is also a non-executive director of China Water Affairs Group Limited (stock code: 855) and Shenzhen Investment Limited (stock code: 604), and a non-executive director and vice chairman of China Aoyuan Property Group Limited (stock code: 3883), all of which are listed on the main board of the Stock Exchange.

**APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. Wu obtained a Master's degree in Economics in 1984 and a Doctoral degree in Economics in 1996, both from the Research Institution of the People's Bank of China. Mr. Wu completed post-doctoral research work in theoretical economics at Nankai University (南開大學) in 1998-2000 and was qualified as a professor in theoretical economics at Nankai University in 2001.

Mr. Wu has entered into a service contract with the Company for a term of three years commencing from 6 March 2011 and his annual director's fee is HK\$480,000 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.

Mr. Wu does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company and, save as disclosed above, did not hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, Mr. Wu did not have any interest in the Shares and/or option of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning Mr. Wu that need to be brought to the attention of the Shareholders nor is there any information relating to Mr. Wu that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

(4) Mr. Hung Sui Kwan (“Mr. Hung”) – Independent Non-executive Director

Mr. Hung Sui Kwan, aged 42, was appointed as an independent non-executive Director on 6 March 2008. He is the chairman of the audit committee, the compliance committee, the remuneration committee and the nomination committee of the Company. Mr. Hung is an executive director and the chief executive officer of Get Nice Holdings Limited (“Get Nice”), a company listed on the main board of the Stock Exchange (stock code: 64). He was the company secretary of Get Nice from 2002 to April 2011. During the period from January 2001 to September 2002, he was also an executive director of Get Nice. From January 1995 to April 1997, Mr. Hung worked with the audit division of Coopers & Lybrand Certified Public Accountants (now known as PricewaterhouseCoopers) and was a supervisor. In 1997, he started his own practice under the name “Hung Sui Kwan Certified Public Accountant”. He is currently a director of Venture Partners CPA Limited and is a licensed person under the Securities and Futures Ordinances for regulated activity “advising on corporate finance”. From January 2005 to August 2006, Mr. Hung was appointed as an independent non-executive director of Century Legend (Holdings) Limited (stock code: 79), a company listed on the main board of the Stock Exchange. In 1991, Mr. Hung obtained a Bachelor of Science degree from the University of Hong Kong. He is a fellow member of The Association of Chartered Certified Accountants in the United Kingdom and a member of The Hong Kong Institute of Certified Public Accountants. Mr. Hung currently holds a practicing certificate issued by The Hong Kong Institute of Certified Public Accountants.

Mr. Hung has entered into a service contract with the Company for a term of three years commencing from 6 March 2011 and his annual director’s fee is HK\$360,000 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.

Mr. Hung does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company and, save as disclosed above, did not hold any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date. As at the Latest Practicable Date, Mr. Hung did not have any interest in the Shares and/or options of the Company within the meaning of Part XV of the SFO.

Mr. Hung has given an annual confirmation of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has reviewed and assessed the independence of Mr. Hung in accordance with each factor set out in Rule 3.13(1) to (8) of the Listing Rules and the Nomination Committee considers Mr. Hung to be independent.

Save as disclosed above, there are no other matters concerning Mr. Hung that need to be brought to the attention of the Shareholders nor is there any information relating to Mr. Hung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that an annual general meeting of Silver Base Group Holdings Limited (the “Company”) will be held at Taishan Room, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 20 August 2012 at 2:30 p.m. (or any adjournment thereof) for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors (the “Directors”) and auditors of the Company for the year ended 31 March 2012.
2. To declare and approve a final dividend for the year ended 31 March 2012 of HK\$0.05 per ordinary share of the Company.
3.
 - (a) To re-elect Mr. Wang Jindong as executive Director.
 - (b) To re-elect Ms. Cheung Mei Sze as executive Director.
 - (c) To re-elect Mr. Wu Jie Si as non-executive Director.
 - (d) To re-elect Mr. Hung Sui Kwan as independent non-executive Director.
 - (e) To authorise the board of Directors to fix the Directors’ remuneration.
4. To re-appoint Ernst & Young as auditors of the Company and to authorise the board of Directors to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional ordinary shares of the Company (the “Shares”) or securities convertible or exchangeable into Shares, 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) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of any options granted under the existing share option scheme of the Company;
 - (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 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount 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 per cent of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of resolution no. 6),

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, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the “Companies Law”) or any other applicable laws of the Cayman Islands to be held; and
- (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 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 to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors 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).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law 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 by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount 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, the Companies Law or any other applicable laws of the Cayman Islands to be held; and
 - (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 by this resolution.”
7. To consider and, if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

“THAT the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 5 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. **“THAT** conditional upon the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution):
- (a) upon the recommendation of the Directors, such amount standing to the credit of the share premium account of the Company be capitalized and the Directors be and are hereby authorised to apply such amount in paying up in full at par such number of new Shares of HK\$0.10 each in the capital of the Company (“Bonus Shares”) on the basis of 1 Bonus Share for every 40 existing Shares on the Record Date (as defined below), and the Directors be authorised to allot, issue and distribute the Bonus Shares, which are credited as fully paid, to the members of the Company whose names appear on the principal or branch register of members of the Company in Hong Kong (the “Register of Members”) as at the close of business on Monday, 27 August 2012 (the “Record Date”), other than those members (the “Excepted Shareholders”) whose addresses as shown on the Register of Members at the close of business on the Record Date are in jurisdiction outside Hong Kong and in respect of whom the Directors consider the exclusion from the Bonus Issue (as defined below) to be necessary or expedient in accordance with the Listing Rules and the memorandum and articles of association of the Company, on the basis of 1 Bonus Share for every 40 existing Shares of HK\$0.10 each in the capital of the Company then held by them respectively (“Bonus Issue”), and the Directors be authorised to settle, as they consider appropriate, any difficulty in regard to any distribution of the Bonus Shares;
 - (b) the Bonus Shares to be issued pursuant to this resolution shall, subject to the memorandum and articles of association of the Company and, rank *pari passu* in all respects with the existing issued Shares of HK\$0.10 each in the capital of the Company, except that they will not be eligible for the Bonus Issue of Shares mentioned in this resolution and the final dividend mentioned in resolution no. 2 above;
 - (c) the Directors be and hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to the Excepted Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences, and distribute the net proceeds of sale, after deduction of expenses, in Hong Kong dollars to the Excepted Shareholders, if any, pro rata to their respective shareholdings and to post to them the remittances therefor at their own risk, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case the Directors be and are hereby authorised to retain such amount for the benefit of the Company; and
 - (d) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

9. To consider and, if thought fit, to pass with or without modification the following resolution as a special resolution:

“**THAT** the articles of association of the Company be amended in the following manner:

- (a) Article 2

By inserting the following new definition of “substantial shareholder” immediately after the definition of “Subsidiary and Holding Company”:

““substantial shareholder” shall mean 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 44

By deleting the words “on every business day” and substituting therefor “during business hours”

- (c) Article 66

By deleting the existing Article 66 in its entirety and replacing therewith the following new Articles 66(1) and 66(2):

“66. (1) 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 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 of the meeting may in good faith, allow 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 authorised 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 purposes 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

NOTICE OF ANNUAL GENERAL MEETING

business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

(2) 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 the Member.”

(d) 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, 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. The result of the poll shall be deemed to be the resolution of the meeting. 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.”

(e) Article 81(2)

By inserting the words “including, where a show of hands is allowed, the right to vote individually on a show of hands” before the full stop in the last sentence.

NOTICE OF ANNUAL GENERAL MEETING

- (f) Article 100(1)(iv)

By inserting the word “or” at the end of the last sentence of Article 100(1)(iv).

- (g) Articles 100(1)(v) and 100(1)(vi)

By deleting the existing Article 100(1)(v) in its entirety and re-numbering Article 100(1)(vi) as Article 100(1)(v).

- (h) Articles 100(2), 100(3) and 100(4)

By deleting the existing Article 100(2) and Article 100(3) in their entirety and renumbering Article 100(4) as Article 100(2).

- (i) Article 119

By inserting the following new sentence after the last sentence in Article 119:

“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 of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.”

10. To consider and, if thought fit, to pass with or without modification the following resolution as a special resolution:

“**THAT** subject to the passing of resolution no. 9 above, the amended and restated articles of association of the Company consolidating all of the proposed amendments set out in resolution no. 9 above and all previous amendments made pursuant to the resolutions passed by the members of the Company at general meetings and in the form produced to the meeting (a copy of which has been tabled at the meeting and marked “A” for the purpose of identification) be and are hereby approved and adopted as the new amended and restated articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company with immediate effect.”

By Order of the Board
Silver Base Group Holdings Limited
Fok Pik Yi Carol
Company Secretary

Hong Kong, 10 July 2012

NOTICE OF ANNUAL GENERAL MEETING

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:*
27th Floor
The Sun's Group Centre
200 Gloucester Road
Wanchai
Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting of the Company convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting of the Company to represent the member. 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.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the Company's 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 annual general meeting of the Company or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting of the Company or any adjournment thereof, should he so wish and in such event, the form of proxy shall be deemed to be revoked.
3. The board of Directors has recommended final dividends of HK\$59.5 million for the year ended 31 March 2012, representing HK\$0.05 per Share and, if such dividend is declared by the members passing resolution no. 2, it is expected to be paid on 31 August 2012 to those shareholders whose names appeared on the Company's register of members on 27 August 2012.
4. The register of members of the Company will be closed from Friday, 17 August 2012 to Monday, 20 August 2012, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the annual general meeting of the Company, all transfers of Shares accompanied by the relevant share certificates and transfer form must be lodged for registration 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 not later than 4:30 p.m. (Hong Kong time) on Thursday, 16 August 2012.
5. The register of members of the Company will be closed from Friday, 24 August 2012 to Monday, 27 August 2012, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend and the Bonus Issue, all transfers of Shares accompanied by the relevant share certificates and transfer form must be lodged for registration 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 not later than 4:30 p.m. (Hong Kong time) on Thursday, 23 August 2012.
6. In relation to proposed resolutions nos. 5 and 7 above, approval is being sought from the shareholders of the Company for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company 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 the shareholders of the Company.
7. In relation to proposed resolution no. 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolutions as required by the Listing Rules is set out in Appendix I to the circular of the Company dated 10 July 2012.