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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** as to any aspect of this circular, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountants or other professional adviser.

**If you have sold or transferred** all your shares in **Silver Grant International Industries Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser and transferee.

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**SILVER GRANT INTERNATIONAL INDUSTRIES LIMITED**

**銀建國際實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 171)**

**PROPOSAL FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES  
AND NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Silver Grant International Industries Limited (the "Company") to be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 23 May 2014 at 10:00 a.m. or any adjournment thereof is set out on pages 15 to 19 of this circular. If the shareholders of the Company do not intend or are unable to attend the meeting and wish to appoint a proxy/proxies to attend and vote on their behalf, they are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at Suite 4901, 49th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the meeting should they so wish.

Hong Kong, 22 April 2014

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 23 May 2014 at 10:00 a.m. or, where the context so admits, any adjournment thereof
“Articles of Association”	the articles of association of the Company, as originally adopted, or as from time to time altered in accordance with the Companies Ordinance
“Board”	the board of directors of the Company
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Company”	Silver Grant International Industries Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Issue Mandate”	a general mandate to the Directors to issue Shares representing up to 20% of the total number of shares of the Company in issue at the date of the passing of the resolution (subject to adjustment in the case of subdivision and consolidation of shares)
“Latest Practicable Date”	15 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“Buy-back Mandate”	a general mandate to the Directors to exercise the powers of the Company to buy back on the Stock Exchange Shares representing up to a maximum of 10% of the total number of shares of the Company in issue at the date of the passing of the resolution (subject to adjustment in the case of subdivision and consolidation of shares)
“Shareholders”	holders of Shares of the Company
“Shares”	shares of the Company with no par value
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs



**SILVER GRANT INTERNATIONAL INDUSTRIES LIMITED**

**銀建國際實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 171)**

*Executive Directors:*

Gao Jian Min (*Managing Director*)  
Liu Tianni (*Deputy Managing Director*)  
Gu Jianguo

*Non-Executive Directors:*

Chen Xiaozhou (*Chairman*)  
Hui Xiao Bing (*Vice Chairman*)  
Chen Qiming (*Vice Chairman*)

*Independent Non-Executive Directors:*

Liang Qing  
Zhang Lu  
Hung Muk Ming

*Registered Office:*

Suite 4901  
49th Floor  
Office Tower  
Convention Plaza  
1 Harbour Road  
Wanchai  
Hong Kong

22 April 2014

*To the Shareholders*

Dear Sir or Madam,

**PROPOSAL FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES  
AND NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to give you notice of the Annual General Meeting and the information relating to (i) the re-election of Directors, (ii) the grant of Buy-back Mandate, (iii) the grant of the Issue Mandate and (iv) the extension of the Issue Mandate.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

The Board currently comprises nine Directors, of which Mr. Gao Jian Min, Mr. Liu Tianni and Mr. Gu Jianguo are executive Directors; Mr. Chen Xiaozhou, Mr. Hui Xiao Bing and Mr. Chen Qiming are non-executive Directors; and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming are independent non-executive Directors.

Pursuant to Article 92 of the Articles of Association, Mr. Liang Qing who was appointed as a director on 28 February 2014 will hold office only until the Annual General Meeting. Pursuant to Article 101 of the Articles of Association, Messrs. Liu Tianni, Zhang Lu and Hung Muk Ming shall retire by rotation at the Annual General Meeting. The retiring Directors, being eligible, offer themselves for re-election.

In compliance with the requirement of code provision E.1.1 of the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules, a separate resolution will be proposed at the Annual General Meeting for the re-election of each individual director whether such Director is an executive Director, non-executive Director or independent non-executive Director.

Messrs. Zhang Lu and Hung Muk Ming have served as independent non-executive Directors more than 9 years and the re-election of each of them will be subject to a separate resolution to be approved by the Shareholders. As independent non-executive Directors with in-depth understanding of the Company's operations and business, Messrs. Zhang Lu and Hung Muk Ming have expressed objective views and given independent guidance to the Company over the years, and they continue demonstrating a firm commitment to their role. The Board considers that the long service of Messrs. Zhang Lu and Hung Muk Ming would not affect their exercise of independent judgement and is satisfied that Messrs. Zhang Lu and Hung Muk Ming have the required character, integrity and experience to continue fulfilling the role of independent non-executive Directors. The Board also considers that the re-election of Messrs. Zhang Lu and Hung Muk Ming as Directors are in the best interest of the Company and Shareholders as a whole.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

### GENERAL MANDATE TO BUY BACK SHARES

An ordinary resolution was passed at the annual general meeting of the Company held on 20 May 2013 whereby a general mandate was given to the Directors to buy back Shares.

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## LETTER FROM THE BOARD

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Such general mandate will lapse at the conclusion of the Annual General Meeting. Therefore, an ordinary resolution will be proposed at the Annual General Meeting to grant the Buy-back Mandate (being a general mandate to the Directors to exercise the powers of the Company to buy back on the Stock Exchange Shares representing up to a maximum of 10% of the total number of the Shares in issue at the date of the passing of resolution no. 5 set out in the notice of Annual General Meeting (i.e. not exceeding 230,484,961 Shares based on 10% of the 2,304,849,611 Shares in issue as at the Latest Practicable Date and assuming that such issued Shares remains the same at the date of the passing of resolution no. 5 set out in the notice of Annual General Meeting)).

In accordance with the Listing Rules, an explanatory statement to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the Buy-back Mandate is set out in Appendix II to this Circular.

### **GENERAL MANDATE TO ISSUE SHARES**

Ordinary resolutions were passed at the annual general meeting of the Company held on 20 May 2013 whereby a general mandate was given to the Directors to issue Shares and such general mandate to issue Shares was extended by adding to it the number of Shares bought back under the general mandate to buy back Shares granted to the Directors on 20 May 2013.

Such general mandate will lapse at the conclusion of the Annual General Meeting. Therefore, an ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors the Issue Mandate (being a general mandate to the Directors to issue Shares representing up to 20% of the total number of the Shares in issue at the date of the passing of resolution no. 6 set out in the notice of Annual General Meeting (i.e. not exceeding 460,969,922 Shares based on 20% of the 2,304,849,611 Shares in issue as at the Latest Practicable Date and assuming that such issued Shares remains the same at the date of the passing of resolution no. 6 set out in the notice of Annual General Meeting)) in order to ensure flexibility and discretion to the Directors to issue any Shares. In addition, an ordinary resolution will be proposed to extend the Issue Mandate by adding to it the number of Shares bought back under the Buy-back Mandate.

### **ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting is set out on pages 15 to 19 of this circular to consider the resolutions relating to, inter alia, the re-election of Directors, the granting of the Buy-back Mandate, the Issue Mandate and the extension of the Issue Mandate.

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## LETTER FROM THE BOARD

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A form of proxy for use at the Annual General Meeting is enclosed. If you do not intend or are unable to attend the Annual General Meeting and wish to appoint a proxy/proxies to attend and vote on our behalf, you are requested to complete the form of proxy and return it to the registered office of the Company in accordance with the instructions printed thereon not later than 48 hours before the time fixed for holding the Annual General Meeting. Completion and deposit of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the Annual General Meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors consider that the re-election of Directors, the granting of the Buy-back Mandate, the Issue Mandate and the extension of the Issue Mandate are in the best interests of the Company and its shareholders and accordingly the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
By Order of the Board

**Silver Grant International Industries Limited**  
**Gao Jian Min**  
*Managing Director*

*The biographical details of the four Directors proposed to be re-elected at the Annual General Meeting are set out as follows:*

**Mr. Liu Tianni**, aged 50, was appointed as an executive Director on 26 May 2001. Mr. Liu is the deputy managing director of the Company. Mr. Liu is also a director of various companies of the Group. He graduated from the Beijing Normal University with a master degree in science. He has over 15 years of experience in corporate administration and trade businesses. Mr. Liu is also an executive director and the chairman of Wonderful Sky Financial Group Limited (Stock Code: 1260), which shares are listed on the Stock Exchange and the independent non-executive director of Chongqing Iron & Steel Company Limited (Stock Code: 1053) and Qingling Motors Co. Ltd (Stock Code: 1122), the H shares of both of which are listed on the Stock Exchange. Save as disclosed above, Mr. Liu did not hold any directorship in other listed companies in the past three years or any other positions with the Company and other members of the Company's group.

As at the Latest Practicable Date, Mr. Liu has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Liu has a 30% interest in Silver Grant Group Limited, a substantial Shareholder. Save as disclosed above, Mr. Liu does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

The Company has entered into an appointment letter with Mr. Liu. Mr. Liu's term of service as Director is three years ending on 28 February 2015 and is subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. His emoluments comprise a director's fee and discretionary share options. His emoluments are determined by reference to his duties and responsibilities with the Company and the Company's remuneration policy and after considering the market emoluments for directors of other listed companies. For the year ended 31 December 2013, he has received a director's fee of HK\$400,000.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

**Mr. Liang Qing**, aged 60, was appointed as an independent non-executive Director, a member of the audit committee and remuneration committee of the Company on 28 February 2014. He is currently a director and the general manager of China Minmetals H.K. (Holdings) Limited. Mr. Liang is also an executive director of Jiangxi Copper Company Limited (Stock Code: 358), which H shares are listed on the Stock Exchange. Mr. Liang has abundant experience in international trading and investment. Save as disclosed above, Mr. Liang did not hold other directorship in any listed companies in the past three years or any other positions with the Company and other members of the Company's group.



As at the Latest Practicable Date, Mr. Liang has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Liang does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

The Company has entered into an appointment letter with Mr. Liang. Mr. Liang's term of service as Director is three years ending on 27 February 2017 and is subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. His emoluments comprise a director's fee. His emoluments are determined by reference to his duties and responsibilities with the Company and the Company's remuneration policy and after considering the market emoluments for directors of other listed companies. For the year ending 31 December 2014, he is expected to receive a director's fee of HK\$400,000.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

**Mr. Zhang Lu**, aged 61, was appointed as an independent non-executive Director on 4 May 2000. Mr. Zhang is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company. He is presently the general manager of CITIC Central Tanshi Money Brokering Company Limited, which is a joint venture of CITIC Trust Co., Ltd. engaged in the money brokering business for financial institutions. Mr. Zhang graduated from the Sichuan International Studies University in 1979. From 1987 to 2000, Mr. Zhang was the executive vice president and treasurer of CITIC Ka Wah Bank Limited, responsible for both the Treasury and International Business. From 1974 to 1987, he has worked for Bank of China and CITIC Industrial Bank. Mr. Zhang has engaged in the banking sector for over 35 years. Save as disclosed above, Mr. Zhang did not hold other directorship in any listed companies in the past three years or any other positions with the Company and other members of the Company's group.

As at the Latest Practicable Date, Mr. Zhang has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Zhang does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

The Company has entered into an appointment letter with Mr. Zhang. Mr. Zhang's term of service as Director is three years ending on 14 April 2017 and is subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. His emoluments comprise a director's fee. His emoluments are determined by reference to his duties and responsibilities with

the Company and the Company's remuneration policy and after considering the market emoluments for directors of other listed companies. For the year ended 31 December 2013, he has received a director's fee of HK\$400,000.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

**Mr. Hung Muk Ming**, aged 49, was appointed as an independent non-executive Director on 23 December 2004. He is also the chairman of the audit committee and a member of nomination committee of the Company. Mr. Hung is a Certified Public Accountant (Practicing) and is a Fellow CPA of the Hong Kong Institute of Certified Public Accountants. He is also a fellow member of the Association of Chartered Certified Accountants, a Fellow of the Hong Kong Institute of Directors and an associate of The Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. He is also a Certified Tax Adviser and a member of The Taxation Institute of Hong Kong. Mr. Hung received his bachelor degree in social sciences from the University of Hong Kong in 1990 and a master degree in corporate governance from the Hong Kong Polytechnic University in 2008. From 2 December 2008 till now, Mr. Hung is an independent non-executive director of Cinda International Holdings Limited (Stock Code: 111), which shares are listed on the Stock Exchange. Mr. Hung has over 20 years of experience in the accounting and audit sector. Save as disclosed above, Mr. Hung did not hold any directorship in other listed companies in the past three years or any other positions with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Hung has no interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Hung does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

The Company has entered into an appointment letter with Mr. Hung. Mr. Hung's term of service as Director is two years ending on 22 December 2015 and is subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. His emoluments comprise a director's fee. His emoluments are determined by reference to his duties and responsibilities with the Company and the Company's remuneration policy and after considering the market emoluments for directors of other listed companies. For the year ended 31 December 2013, he has received a director's fee of HK\$300,000.

Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

*The following is the explanatory statement as required by the Listing Rules, to provide requisite information to you for your consideration of the Buy-back Mandate.*

*The circular also constitutes the memorandum as required under Section 239(2) of the Companies Ordinance.*

## **1. LISTING RULES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their fully paid-up shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

### **(a) Shareholders' Approval**

The Listing Rules provide that all on-market share repurchases by a company with its primary listings on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchases.

### **(b) Source of Funds**

Repurchases must be made out of funds which are legally available for such purpose in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established.

### **(c) Maximum Number of Shares to be Repurchased**

A maximum of 10% of the issued share capital of the company at the date of the passing of the resolution granting the general mandate may be repurchased on the Stock Exchange.

The company must report the outcome of the general meeting called to consider the proposed repurchases to the Stock Exchange immediately following the meeting.

## **2. SHARES IN ISSUE**

As at the Latest Practicable Date, the shares in issue comprised 2,304,849,611 Shares.

Subject to the passing of ordinary resolution and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 230,484,961 Shares.

### **3. REASONS FOR BUY-BACKS**

The Directors believe that the Buy-back Mandate is in the best interests of the Company and its shareholders. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and its shareholders.

### **4. FUNDING OF BUY-BACKS**

Buy back would be financed from available cash flow or working capital facilities of the Company and its subsidiaries which will be funds legally available for such purpose in accordance with the Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a Share buy-back may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose.

There might be material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2013 in the event that the Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels, which in the opinion of the Directors are from time to time appropriate for the Company.

## 5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous 12 months prior to the Latest Practicable Date and for the month of April 2014 up to the Latest Practicable Date were as follows:

	<b>Shares</b>	
	<b>Highest Price</b>	<b>Lowest Price</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2013</b>		
April	1.37	1.19
May	1.37	1.18
June	1.22	1.10
July	1.19	1.07
August	1.14	1.03
September	1.18	1.00
October	1.13	1.04
November	1.27	1.03
December	1.26	1.03
<b>2014</b>		
January	1.12	1.00
February	1.02	0.95
March	1.02	0.94
April (up to the Latest Practicable Date)	1.03	0.96

## 6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, they will exercise the powers of the Company to make buy-backs pursuant to ordinary resolution no. 5 set out in the notice of Annual General Meeting in accordance with the Listing Rules and the Companies Ordinance.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Buy-back Mandate if such is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Mandate is approved by the Shareholders.

## 7. THE CODES ON TAKEOVERS AND MERGERS AND SHARE BUY-BACKS

If on exercise of the powers to buy back Shares pursuant to the Buy-back Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such 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 5% or more of the issued Shares as recorded in the register of the Company kept under Section 336(1) of Part XV (Disclosure of Interests) of the Securities and Futures Ordinance of Hong Kong:

- (1) Silver Grant Group Limited held 253,848,022 Shares representing approximately 11.01% of the issued Shares;
- (2) China Cinda Asset Management Co., Ltd. ("China Cinda") indirectly held 438,056,000 Shares representing approximately 19.01% of the issued Shares; and
- (3) China Guangdong Nuclear Power Holding Co., Ltd ("CGNPC") indirectly held 364,140,000 Shares representing approximately 15.80% of the issued Shares.

To the best of the knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in Shares representing 5% or more of the issued Shares.

In the event that the Directors exercise in full the power to buy back Shares which is proposed to be granted pursuant to ordinary resolution no. 5 set out in the notice of Annual General Meeting, then (if the present shareholdings otherwise remains the same) the attributable shareholdings of Silver Grant Group Limited, China Cinda and CGNPC in the Company would be increased from approximately 11.01%, 19.01% and 15.80% to approximately 12.23%, 21.12% and 17.55% respectively of the issued Shares.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Buy-back Mandate unless certain of Shareholders as mentioned above are parties acting in concert with each other, in which case, a general offer obligation under the Takeovers Code will arise in the event that the aggregate shareholdings of such Shareholders acting in concert reach 30% or more or in the event that the aggregate shareholdings of such Shareholders already fall within the range of 30% and 50%, the total shareholdings of such Shareholders in the Company increase by more than 2% within a 12 month period. However, the Directors are not aware that Silver Grant Group Limited, China Cinda and CGNPC are parties acting concert with each other.

**8. SHARE BUY-BACK MADE BY THE COMPANY**

The Company has not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the 6 months preceding the Latest Practicable Date.



**SILVER GRANT INTERNATIONAL INDUSTRIES LIMITED**

**銀建國際實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 171)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Silver Grant International Industries Limited (the “Company”) will be held at Boardroom 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 23 May 2014 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the directors’ report and the independent auditor’s report for the year ended 31 December 2013.
2. To declare a final dividend of HK\$0.05 per share for the year ended 31 December 2013.
3. (a) each as a separate resolution, to re-elect the following retiring directors of the Company (the “Director”):
  - (1) to re-elect Mr. Liu Tianni as a Director;
  - (2) to re-elect Mr. Liang Qing as a Director;
  - (3) to re-elect Mr. Zhang Lu as a Director;
  - (4) to re-elect Mr. Hung Muk Ming as a Director; and
- (b) to authorize the board of Directors (the “Board”) to fix the Directors’ remuneration.
4. To re-appoint Deloitte Touche Tohamstu as the auditor and to authorize the Board to fix their remuneration.



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## NOTICE OF ANNUAL GENERAL MEETING

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As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions:

### ORDINARY RESOLUTIONS

5. “**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 buy back shares of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company which may be bought back by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent. of the total number of the shares of the Company in issue at the date of the passing of this resolution (subject to adjustment in the case of subdivision and consolidation of shares) and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from 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 law to be held; and
  - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. “**THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to Section 57B of the Companies Ordinance, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of the Company and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible or exchangeable into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible or exchangeable into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined) or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible or exchangeable into shares of the Company or (iii) the exercise of options under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement of shares or rights to acquire shares of the Company or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the total number of the shares of the Company in issue at the date of the passing of this resolution (subject to adjustment in the case of subdivision and consolidation of shares) and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution; and

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate such other securities) (subject to such exclusions or other arrangements as the directors of the Company 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 any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

7. “**THAT** subject to the passing of resolution nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to resolution no. 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the total number of the shares of the Company bought back by the Company under the authority granted pursuant to resolution no. 5 set out in the notice convening this meeting, provided that such extended number shall not exceed 10 per cent. of the total number of the shares of the Company in issue at the date of the passing of this resolution (subject to adjustment in the case of subdivision and consolidation of shares).”

By Order of the Board  
**Silver Grant International Industries Limited**  
**Chow Kwok Wai**  
*Company Secretary*

Hong Kong, 22 April 2014

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for use at the meeting is enclosed.
3. To be valid, a 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 that power or authority must be deposited at the registered office of the Company at Suite 4901, 49th Floor, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. To ascertain the shareholders' entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 21 May 2014 to Friday, 23 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 20 May 2014.

Subject to the approval of the shareholders at this meeting, the proposed final dividend will be payable to the shareholder whose names appear on the register of members of the Company on 30 May 2014. To ascertain the shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed on Friday, 30 May 2014 during that date no transfer of shares will be registered. In order to qualify for the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrars of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 29 May 2014.

5. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the meeting except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
6. With regard to items 3 and 5 to 7 set out in the notice, a circular giving details of the re-election of directors and general mandates to buy back shares and issue shares of the Company will be despatched to shareholders on 22 April 2014. The biographical details of the retiring directors of the Company who are proposed to be re-elected at the above meeting are set out in Appendix I to the circular.
7. As at the date of this notice, the Board comprises Mr. Gao Jian Min (Managing Director), Mr. Liu Tianni (Deputy Managing Director) and Mr. Gu Jianguo as executive directors, Mr. Chen Xiaozhou (Chairman), Mr. Hui Xiao Bing (Vice Chairman) and Mr. Chen Qiming (Vice Chairman) as non-executive directors and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming as independent non-executive directors.