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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**

A notice convening the annual general meeting of Silver Grant International Industries Limited (the “**Company**”) to be held at Boardrooms 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 24 May 2019 at 2:30 p.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 Company’s share registrar and transfer office, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, 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, 23 April 2019

DEFINITIONS

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 Boardrooms 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 24 May 2019 at 2:30 p.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
“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
“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
“Latest Practicable Date”	16 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“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

LETTER FROM THE BOARD



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*)

Huang Jiajue

Ma Yilin

Luo Zhihai

Registered Office:

Suite 4901

49th Floor

Office Tower

Convention Plaza

1 Harbour Road

Wanchai

Hong Kong

Non-Executive Directors:

Chu Hing Tsung (*Chairman*)

Chen Zhiwei

Independent Non-Executive Directors:

Liang Qing

Zhang Lu

Hung Muk Ming

23 April 2019

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.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

The Board currently comprises nine Directors, of which Mr. Gao Jian Min, Mr. Huang Jiajue, Mr. Ma Yilin and Mr. Luo Zhihai are executive Directors; Mr. Chu Hing Tsung and Mr. Chen Zhiwei are non-executive Directors; and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming are independent non-executive Directors.

Pursuant to Article 102 of the Articles of Association, Mr. Ma Yilin, Mr. Liang Qing and Mr. Hung Muk Ming shall retire by rotation at the Annual General Meeting. All the retiring Directors, being eligible, offer themselves for re-election.

The nomination committee of the Company had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2018 based on the independence criteria as set out in rule 3.13 of the Listing Rules, including Mr. Liang Qing and Mr. Hung Muk Ming. The nomination committee of the Company had considered and nominated the above retiring Directors to the Board for it to propose to the Shareholders for re-election at the Annual General Meeting.

Accordingly, with the recommendation of the nomination committee of the Company, the Board has proposed that each of the above retiring Directors, namely Mr. Ma Yilin, Mr. Liang Qing and Mr. Hung Muk Ming stands for re-election as Director by way of separate resolution at the AGM.

Mr. Hung Muk Ming has served as independent non-executive Director more than 9 years and the re-election of him will be subject to a separate resolution to be approved by the Shareholders. As independent non-executive Director with in-depth understanding of the Company's operations and business, Mr. Hung Muk Ming has expressed objective views and given independent guidance to the Company over the years, and he continues demonstrating a firm commitment to his role. The Board considers that the long service of Mr. Hung Muk Ming would not affect his exercise of independent judgement and is satisfied that Mr. Hung Muk Ming has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director. The Board also considers that the re-election of Mr. Hung Muk Ming as Director is 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.

LETTER FROM THE BOARD

GENERAL MANDATE TO BUY BACK SHARES

An ordinary resolution was passed at the annual general meeting of the Company held on 28 May 2018 whereby a general mandate was given to the Directors to buy back Shares.

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. 4 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. 4 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 28 May 2018 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 28 May 2018.

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. 5 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. 5 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.

LETTER FROM THE BOARD

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.

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 Company's share registrar and transfer office, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong 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 the 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

Huang Jiajue

Executive Director

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

Mr. Ma Yilin, aged 54, was appointed as an executive Director on 20 January 2017. Mr. Ma is currently the Managing Director of China Cinda (Hong Kong) Holdings Company Limited (“**Cinda HK**”), which is a wholly owned subsidiary of China Cinda Asset Management Co., Ltd (“**China Cinda**”), a substantial Shareholder. He is an intermediate economist. Mr. Ma graduated from the graduate school of the China University of Political Science and Law with a master degree in law. Commencing 2011, Mr. Ma had held various positions successfully in Cinda HK, including senior manager, head of legal affairs, investment controller, assistant to general manager, deputy general manager, general manager and director of Cinda HK. Mr. Ma has abundant experience asset management and legal affairs.

Save as disclosed above, Mr. Ma 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. Ma has no interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ma 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. Ma. Mr. Ma’s term of service as Director is three years ending on 19 January 2020 and is subject to retirement by rotation and re-election at annual general meeting of the Company 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 2018, 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 65, was appointed as an independent non-executive Director on 28 February 2014. He is also a member of the audit committee and remuneration committee of the Company. Mr. Liang is also currently an executive director and an independent non-executive director of Jiangxi Copper Company Limited (Stock code: 358) and Sinotruck (Hong Kong) Limited (Stock code: 3808) respectively, both of which are companies whose H shares are listed on the Stock Exchange. Mr. Liang graduated from Beijing Open University (formerly known as Beijing Radio and Television University) in 1985, where he studied Chinese language and literature. Mr. Liang was a director and the general manager of China Minmetal H.K. (Holdings) Limited and has now retired. Mr. Liang has abundant experience in international trading and investment.

Save as disclosed above, Mr. Liang 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. Liang has no interest in the Shares within the meaning of Part XV of the SFO.

Mr. Liang has given his written annual confirmation of independence to the Company and the nomination committee of the Company had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. Mr. Liang does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders. The Board is also not aware of any circumstance that might influence Mr. Liang in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. Liang is beneficial to the Board with diversity of his comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

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 2020 and is subject to retirement by rotation and re-election at annual general meeting of the Company 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 2018, 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 54, 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 the 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. Mr. Hung is also an independent non-executive director of Cinda International Holdings Limited (Stock code: 111), Century Sage Scientific Holdings Limited (Stock code: 1450), China Animation Characters Company Limited (Stock code: 1566) and IBO Technology Company Limited (Stock code: 2708), all of which are companies whose 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 SFO.

Mr. Hung has given his written annual confirmation of independence to the Company and the nomination committee of the Company had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. Mr. Hung does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders. The Board is also not aware of any circumstance that might influence Mr. Hung in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. Hung is beneficial to the Board with diversity of his comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

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 2019 and is subject to retirement by rotation and re-election at annual general meeting of the Company 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 2018, 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 buy back 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 buy-backs 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 buy-backs.

(b) Source of Funds

Buy-backs 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 Bought Back

A maximum of 10% of the issued shares of the company at the date of the passing of the resolution granting the general mandate may be bought back on the Stock Exchange.

The company must report the outcome of the general meeting called to consider the proposed buy-backs 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-BACK

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 2018 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 2019 up to the Latest Practicable Date were as follows:

	Shares	
	Highest Price <i>HK\$</i>	Lowest Price <i>HK\$</i>
Year 2018		
April	1.83	1.63
May	2.04	1.71
June	2.36	1.49
July	1.95	1.35
August	1.74	1.15
September	1.93	1.53
October	1.76	1.52
November	1.90	1.59
December	1.80	1.42
Year 2019		
January	1.75	1.41
February	1.73	1.59
March	1.69	1.57
April (up to the Latest Practicable Date)	1.64	1.50

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. 4 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 close 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 core 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 SFO:

- (1) China Cinda indirectly held 1,119,296,022 Shares representing approximately 48.56% of the issued Shares; and
- (2) Rong De Investments Limited ("**Rong De**") indirectly held 681,240,022 Shares representing approximately 29.56% 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. 4 set out in the notice of Annual General Meeting, then (if the present shareholdings otherwise remains the same) the attributable shareholdings of China Cinda and Rong De in the Company would be increased from approximately 48.56% and 29.56% to approximately 53.96% and 32.84% respectively of the issued Shares.

In the event that the Directors exercised the Buy-back Mandate in full, China Cinda and Rong De would become obliged to make mandatory general offer in accordance with Rule 26 of the Takeovers Code. It is not the present intention of the Directors to exercise the Buy-back Mandate in such manner as to trigger off any general offer obligations.

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.

NOTICE OF ANNUAL GENERAL MEETING



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 Boardrooms 3 & 4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 24 May 2019 at 2:30 p.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 2018.
2. (a) each as a separate resolution, to re-elect the following retiring directors of the Company (the “**Director**”):
 - (1) To re-elect Mr. Ma Yilin as an executive Director;
 - (2) To re-elect Mr. Liang Qing as an independent non-executive Director;
 - (3) To re-elect Mr. Hung Muk Ming as an independent non-executive Director; and
- (b) to authorize the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
3. To re-appoint Deloitte Touche Tohamstu as the auditor of the Company and to authorize the Board to fix their remuneration.

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

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

4. “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 (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution) 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 by this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

5. “THAT:

- (a) subject to paragraph (c) of this resolution and pursuant to Sections 140 and 141 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 (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger and smaller number of shares after the passing of this resolution) and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (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;
 - (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 by this resolution; and

“Pro-Rata 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 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).”

6. **“THAT** subject to the passing of resolution nos. 4 and 5 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. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of the total number of the shares of the Company bought back by the Company under the authority granted pursuant to resolution no. 4 set out in the notice convening this meeting, provided that such

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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 (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution).”

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

Hong Kong, 23 April 2019

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. 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 Company's share registrar and transfer office, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. To ascertain the shareholders' entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 21 May 2019 to Friday, 24 May 2019, 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 Company's share registrars and transfer office, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 20 May 2019.
4. 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.
5. With regard to items 2 and 4 to 6 set out in this 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 23 April 2019. 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.
6. As at the date of this notice, the Board comprises Mr. Gao Jian Min (Managing Director), Mr. Huang Jiajue, Mr. Ma Yilin and Mr. Luo Zhihai as executive Directors; Mr. Chu Hing Tsung (Chairman) and Mr. Chen Zhiwei as non-executive Directors, and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming as independent non-executive Directors.