
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action should be taken, you should consult your stockbroker or other licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this circular.



CHINA BEST GROUP HOLDING LIMITED

國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Room 3405, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 7 May 2010 at 11:00 a.m. (“2010 AGM”) or any adjournment thereof is set out on pages 13 to 21 of this circular.

Whether or not you are able to attend the 2010 AGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong and in any event not less than 48 hours before the time appointed for holding of the 2010 AGM or any adjourned meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cbgroup.com.hk). Completion and the delivery of form of proxy will not preclude you from attending and voting at the 2010 AGM or any adjourned meeting should you so wish.

31 March 2010

* For identification purpose only

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Repurchase and Issuance Mandates	4
3. Re-election of Directors	5
4. Amendments to the Bye-laws	5
5. Annual General Meeting	5
6. Recommendations	6
7. General Information	6
Appendix I – Explanatory Statement – Repurchase Mandate	7
Appendix II – Details of Directors proposed to be re-elected at Annual General Meeting	11
Notice of Annual General Meeting	13

DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Room 3405, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 7 May 2010 at 11:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 13 to 21 of this circular
“Board”	the board of Directors of the Company
“Bye-laws”	Bye-laws of the Company adopted at a special general meeting of the Company held on 5 March 1996 and subsequently amended at the annual general meetings of the Company held on 30 August 2004 and 26 May 2006 respectively
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time
“Company”	China Best Group Holding Limited, a company duly incorporated with limited liability in Bermuda, whose Shares are listed and traded on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Issuance Mandate”	as defined in the section headed “REPURCHASE AND ISSUANCE MANDATES” of the Letter from the Board
“Latest Practicable Date”	29 March 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Repurchase Mandate”	as defined in the section headed “REPURCHASE AND ISSUANCE MANDATES” of the Letter from the Board

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.05 each in the capital of the Company (or such other nominal value as shall result from a subdivision, consolidation, reclassification or restructuring of such shares from time to time)
“Shareholder”	a holder of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the same meaning ascribed in the Listing Rules
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers, as amended from time to time

LETTER FROM THE BOARD



CHINA BEST GROUP HOLDING LIMITED

國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

Executive directors:

Ms. Ma Jun Li (*Chairman*)

Mr. Ng Tang (*Deputy Chairman*)

Mr. Zhang Da Qing (*Chief Executive Officer*)

Mr. Ren Zheng

Ms. Cheung Hoi Ping

Non-executive director:

Ms. Yao Haixing

Independent non-executive directors:

Ms. Chung Kwo Ling

Mr. Chan Ngai Sang, Kenny

Ms. Xing Hua

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head office and principal place

of business in Hong Kong:

Room 3405

Bank of America Tower

12 Harcourt Road

Central

Hong Kong

31 March 2010

To the Shareholders

Dear Sir and Madam,

**PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
AMENDMENTS TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting for the approval of (i) the granting of the Repurchase Mandate and the Issuance Mandate to the Directors; (ii) the re-election of Directors; and (iii) the amendments to the Bye-laws.

* For identification purpose only

LETTER FROM THE BOARD

2. REPURCHASE AND ISSUANCE MANDATES

The Listing Rules contain provisions to regulate the repurchase by companies with primary listings on the Stock Exchange of their own Shares on the Stock Exchange.

At the annual general meeting of the Company held on 2 June 2009, general mandates were given to the Directors to exercise the powers of the Company to undertake repurchases of the Company's fully paid up shares of an aggregate nominal amount of up to a maximum of 10% of the issued share capital of the Company on the date of passing the said ordinary resolution at the annual general meeting and to allot, issue and deal with new shares of an aggregate nominal amount of up to 20% of the issued share capital of the Company on the date of passing the said ordinary resolution at the annual general meeting. Such general mandates will continue in force until the conclusion of the forthcoming Annual General Meeting.

Hence, ordinary resolutions will be proposed at the Annual General Meeting of the Company:

- (i) to grant to the Directors a general mandate to exercise the powers of the Company to undertake repurchases of the Company's fully paid up shares (the "Shares") up to a maximum of 10% of the issued share capital of the Company on the date of passing of the relevant ordinary resolution (the "Repurchase Mandate");
- (ii) to grant a general mandate to the Directors to issue new Shares up to a maximum of 421,959,169 shares representing 20% of the issued share capital of the Company on the date of passing of the relevant ordinary resolution (the "Issuance Mandate"); and
- (iii) to extend the Issuance Mandate by the number of shares repurchased.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolution nos. 4A and 4B set out in the notice of Annual General Meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate. An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. RE-ELECTION OF DIRECTORS

The Board currently consists of nine Directors namely Ms. Ma Jun Li, Mr. Ng Tang, Mr. Zhang Da Qing, Mr. Ren Zheng and Ms. Cheung Hoi Ping as executive Directors, Ms. Yao Haixing as non-executive Director, Ms. Chung Kwo Ling, Mr. Chan Ngai Sang, Kenny and Ms. Xing Hua as independent non-executive Directors.

In accordance with Bye-law 87(1) of the Bye-laws, Mr. Zhang Da Qing, Mr. Ren Zheng and Ms. Cheung Hoi Ping shall retire at the Annual General Meeting and all of them, being eligible, will offer themselves for re-election.

Details of the retiring Directors are set out in Appendix II of this circular.

4. AMENDMENTS TO THE BYE-LAWS

The Stock Exchange has amended the Listing Rules relating to, among other things, the use of websites for communication with Shareholders. The amendments to the Listing Rules have come into effect on 1 January 2009.

To ensure compliance with the several amended provision of the Listing Rules, the Directors propose to amend the Bye-laws. The proposed amendments empower the Company to use the Company's website and other electronic means for sending or supply of corporate communication (as defined in the Listing Rules).

The proposed amendments to the Bye-laws are stated in the proposed special resolution set out in item 5 of the notice convening the Annual General Meeting as contained on pages 13 to 21 of this circular. A copy of the Bye-laws will be available for inspection at the Company's principal place of business in Room 3405, Bank of American Tower, 12 Harcourt Road, Central, Hong Kong during normal business hours from the date hereof up to and including the date of the Annual General Meeting.

5. ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out on pages 13 to 21 of this circular. At the Annual General Meeting, resolutions will be proposed to approve the granting of general mandate on repurchase of shares and the general mandate for Directors to issue new shares, the re-election of Directors, as well as the amendments to the Bye-laws.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cbgroup.com.hk). If you intend to appoint a proxy to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATIONS

The Directors consider that the proposed granting of general mandate on repurchase of shares, the general mandate for Directors to issue new shares, the re-election of Directors of the Company as well as the amendments to the Bye-laws are all in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend all shareholders to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of Directors proposed to be re-elected at Annual General Meeting) to this circular.

Yours faithfully,
By Order of the Board
China Best Group Holding Limited
Ma Jun Li
Chairman

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the granting of the Repurchase Mandate to be proposed at the Annual General Meeting.

The Listing Rules permit companies with a primary listing 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 summarized below:

1. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interest of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset per Share and/or earnings per Share and will only be made if the Directors believe such repurchase will benefit the Company and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 2,109,795,845 Shares of HK\$0.05 each.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 210,979,584 Shares.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws, the Listing Rules and the applicable laws of Bermuda. It is envisaged that the funds required for any purchase would be derived from the distributable profits of the Company.

There might be material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. GENERAL

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during the previous 12 months preceding the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
March	0.315	0.205
April	0.315	0.205
May	0.330	0.225
June	0.390	0.270
July	0.335	0.240
August	0.315	0.220
September	0.265	0.190
October	0.255	0.148
November	0.415	0.230
December	0.345	0.233
2010		
January	0.315	0.240
February	0.260	0.226
March (up to the Latest Practicable Date)	0.350	0.235

6. DISCLOSURE OF INTEREST

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws of the Company and the applicable laws of Bermuda.

No connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company or has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

7. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase 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 the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, would obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the latest Practicable Date, Best Chance Holdings Limited ("Best Chance"), the Substantial Shareholder of the Company, was interested in aggregate of 634,161,600 Shares, representing approximately 30.06% of the Shares currently issued by the Company. Since Mr. Wang Jian Hua is holding more than one third of the voting rights of Best Chance, he was deemed to be interested in the same 634,161,600 Shares held by Best Chance in addition to his personal interest in 26,396,400 Shares of the Company. Mr. Wang Jian Hua was therefore interested in aggregate of 660,558,000 Shares, representing approximately 31.31% of the issued Shares of the Company. On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and prior to the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, if so approved, in the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholding of Best Chance and Mr. Wang Jian Hua in the Company would be increased by more than 3% to approximately 33.40% and 34.79% of the total issued share capital of the Company respectively. Therefore, Best Chance and Mr. Wang Jian Hua may be required under the Takeovers Code to make a general offer for all the issued shares other than those already owned by them. The Directors currently have no intention to exercise the power to repurchase shares to such extent as would result in a takeover obligation on the part of Best Chance and Mr. Wang Jian Hua.

Save as aforesaid, the Directors are not aware of any consequences which will arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors will not make repurchase of Shares on the Stock Exchange if the result of the repurchase would be that less than 25% of the issued share capital of the Company would be in public hands.

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company nor any of its subsidiaries (whether on the Stock Exchange or otherwise) during the last six months immediately preceding the Latest Practicable Date.

Stated below are the details of the following Directors who will retire and be eligible for re-election at the Annual General Meeting according to the Bye-laws of the Company:

(a) **Mr. Zhang Da Qing**, aged 49, *Executive Director and Chief Executive Officer*

Mr. Zhang Da Qing (“Mr. Zhang”), aged 49, appointed on 5 June 2007, is an Executive Director and Chief Executive Officer of the Company. Mr. Zhang had worked in various departments of Air China Limited (中國國際航空公司) for many years and had abundant experience. Mr. Zhang was mainly responsible for the duties of management, administration and finance. Mr. Zhang has been appointed as a director of a former-subsiary in August 2006 and then as an executive Director and chief executive officer on 5 June 2007.

Save as disclosed, Mr. Zhang has not held any other directorships in listed public companies in the last three years. As at the Latest Practicable Date, Mr. Zhang does not hold any interest in the shares of the Company within the meaning of Part XV of the SFO. Save that he is a director of a former-subsiary, Mr. Zhang does not have any relationship with any of the Director, senior management or substantial or controlling shareholders of the Company.

Mr. Zhang has not entered into any service contract with the Company and is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. Mr. Zhang is entitled to a monthly salary of HK\$50,243 from the Company, which is determined by the board of the Company with reference to his duties, responsibilities and market condition.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr. Zhang’s re-election.

(b) **Mr. Ren Zheng**, aged 36, *Executive Director*

Mr. Ren Zheng (“Mr. Ren”), aged 36, appointed in November 2002, is an Executive Director of the Company. Mr. Ren graduated from the San Francisco State University in the United States with a master degree of engineering. He is responsible for the business development of the Group in China. Mr. Ren does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ren is interested in 400,000 Shares (0.02% of the Company’s issued capital) within the meaning of Part XV of the SFO. Mr. Ren does not have other directorship in the past three years or major appointment in other listed public companies. There is no service contract entered into between the Company but Mr. Ren is entitled to a monthly salary of HK\$40,122 from the Company, which is determined by the board of the Company subject to the market condition and there is no proposed length of service.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Mr. Ren’s re-election.

(c) **Ms. Cheung Hoi Ping**, aged 40, *Executive Director*

Ms. Cheung Hoi Ping (“Ms. Cheung”), aged 40, appointed on 29 August 2003, is an Executive Director of the Company. She has several years of experience in the field of education and finance business. She graduated from Harvard University, U.S.A. with a master degree in education. Ms. Cheung has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Ms. Cheung does not hold any shares in the Company within the meaning of Part XV of the SFO. Ms. Cheung has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company. Ms. Cheung has not entered into any service contracts with the Company but is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. Ms. Cheung is not entitled to receive any salary.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the shareholders in connection with Ms. Cheung’s re-election.

NOTICE OF ANNUAL GENERAL MEETING



CHINA BEST GROUP HOLDING LIMITED

國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Annual General Meeting**”) of China Best Group Holding Limited (the “**Company**”) will be held at Room 3405, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 7 May 2010 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and of the auditors for the year ended 31 December 2009;
2. To elect Directors, to fix the maximum number of Directors, and to authorize the board of Directors to appoint additional directors not exceeding the maximum number determined and to fix directors’ remuneration;
3. To re-appoint auditors and to authorize the board of Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. “**THAT**

- (a) subject to paragraph (b) below, the directors of the Company be hereby generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers agreements and options which would or might require the exercise of any of such powers during or after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of the shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, other than pursuant to (i) a Rights Issue (as defined below); or (ii) an issue of shares of the Company by way of scrip dividend pursuant to the bye-laws of the Company from time to time; or (iii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire, shares of the Company, shall not in total exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and

“**Right Issue**” means an offer of shares for subscription open for a fixed period by the Company to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of shares (subject to such exclusion 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, or in any territory outside Hong Kong)”

NOTICE OF ANNUAL GENERAL MEETING

B. **“THAT**

- (a) the directors of the Company be generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws;
- (b) the total nominal amount of shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
- (c) for the purpose 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held.”

- C. **“THAT** conditional upon the ordinary resolutions no. 4A and no. 4B contained in the notice of the Annual General Meeting of which this resolution forms part being approved, the aggregate nominal amount of the shares in the capital of the Company which are repurchased by the Company pursuant to and in accordance with ordinary resolution no. 4B shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with ordinary resolution no. 4A”.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider as special business and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the Bye-laws of the Company be and are hereby amended in the following manner:

- (a) by adding the following definition in Bye-law 1 immediately after the definition of “Company”:

“Company’s website” shall mean the website of the Company, the address or domain name of which has been notified to Members;”

- (b) by deleting the existing Bye-law 44 in its entirety and substituting therefor the following:

44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by Members without charge or by any other person, upon a maximum payment of five Bermuda dollars, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of ten dollars at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or in such other manner as may be prescribed or permitted by the requirements of any Designated Stock Exchange and all applicable laws and regulations be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

NOTICE OF ANNUAL GENERAL MEETING

- (c) by deleting the existing Bye-law 51 in its entirety and substituting therefor the following:

51. The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in an appointed newspaper or in such other manner as may be prescribed or permitted by the requirements of any Designated Stock Exchange and all applicable laws and regulations be suspended at such times and for such periods (not exceeding thirty (30) days in any year) as the Board may determine.

- (d) by deleting the existing Bye-law 146(1)(a)(ii) in its entirety and substituting therefor the following:

146.(1)(a)(ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing or in such other manner as may be prescribed or permitted by the requirements of any Designated Stock Exchange and all applicable laws and regulations to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (e) by deleting the existing Bye-law 146(1)(b)(ii) in its entirety and substituting therefor the following:

146.(1)(b)(ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing or in such other manner as may be prescribed or permitted by the requirements of any Designated Stock Exchange and all applicable laws and regulations to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

NOTICE OF ANNUAL GENERAL MEETING

- (f) by deleting the existing Bye-law 153 in its entirety and substituting therefor the following:

153. Subject to Section 88 of the Act, a copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent (whether in printed form or in such other manner as may be prescribed or permitted by the requirements of the Designated Stock Exchange and all applicable laws and regulations) to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

- (g) by deleting the existing Bye-law 160 in its entirety and substituting therefor the following:

160. Subject to the requirements of the Designated Stock Exchange and all applicable laws and regulations, any notice or document (including any "corporate communication" as defined in the requirements of the Designated Stock Exchange) may be served by the Company on any Member either:

- (a) by serving it personally on the Member;
- (b) by sending it through the post in a prepaid envelope or wrapper addressed to such Member at his registered address as appears in the Register;
- (c) by delivering or leaving it at such address as aforesaid;
- (d) by sending or transmitting it to such electronic address provided by such Member to the Company or through other electronic means;

NOTICE OF ANNUAL GENERAL MEETING

- (e) by publishing it on the Company's website provided that a notification of publication of the notice or document is sent to the relevant Member in the manner as prescribed by the requirements of the Designated Stock Exchange and all applicable laws and regulations;
- (f) by placing an advertisement in English in at least one English language newspaper or publication and in Chinese in at least one Chinese language newspaper or publication in accordance with these Bye-laws and the applicable laws, rules and regulations; or
- (g) by sending or otherwise making it available to such Member through such other means to the extent permitted by and in accordance with the requirements of the Designated Stock Exchange and all applicable laws and regulations.

In the case of joint holders of a share all notices or documents shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

- (h) by deleting the existing Bye-law 161 in its entirety and substituting therefor the following:

161. Subject to the requirements in the Designated Stock Exchange and all applicable laws and regulations, any notice or document (including any "corporate communication" as defined in the requirements of the Designated Stock Exchange) given or issued by or on behalf of the Company shall be deemed to have been served in the following manner:

- (a) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice, document or publication was so served or delivered shall be conclusive evidence of the service or delivery;

NOTICE OF ANNUAL GENERAL MEETING

- (b) if sent by post, shall be deemed to have been served or delivered on the day following that on which the envelope or wrapper containing the same is put into the post office situated within Hong Kong and in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed, prepaid and put into the post office and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed, prepaid and put into the post office shall be conclusive evidence thereof;
- (c) if sent or transmitted by electronic transmission, shall be deemed to have been served on the day on which the notice or document is sent or transmitted;
- (d) if published on the Company's website, shall be deemed to have been served on the day on which the notice of publication referred to in Bye-law 160(e) is sent; or if later, the date on which the notice or document first appears on the Company's website after the notice of publication is sent; or
- (e) if published as an advertisement in a newspaper or other publication, shall be deemed to have been served on the day on which the advertisement first so appears.”

By Order of the Board
China Best Group Holding Limited
Ma Jun Li
Chairman

Hong Kong, 31 March 2010

As at the date of this notice, the Board comprises 5 executive directors namely Ms. Ma Jun Li, Mr. Ng Tang, Mr. Zhang Da Qing, Mr. Ren Zheng and Ms. Cheung Hoi Ping; 1 non-executive director namely Ms. Yao Haixing; and 3 independent non-executive directors namely Ms. Chung Kwo Ling, Mr. Chan Ngai Sang, Kenny and Ms. Xing Hua.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) For the purpose of determining the Shareholders who are entitled to attend and vote at the 2010 Annual General Meeting, the Register of Members of the Company will be closed from Wednesday, 5 May 2010 to Friday, 7 May 2010, both days inclusive. In order to qualify for attending and voting at the 2010 Annual General Meeting, all transfer documents should be lodged for registration with Tricor Tengis Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, by 4:30 p.m. Tuesday, 4 May 2010.
- (2) In accordance with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and for good corporate governance practice, the Chairman of the Board has indicated that she would direct that each of the resolutions set out in the notice of the Annual General Meeting be voted on by poll.
- (3) A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Annual General Meeting. A proxy need not be a member of the Company.
- (4) In order to be valid, the form of proxy must be deposited at the Company's branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or certified copy of such power of attorney or authority, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
- (5) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cbgroup.com.hk).