



**IN THE GRAND COURT OF THE CAYMAN ISLANDS**

**FINANCIAL SERVICES DIVISION**

**CAUSE NO: FSD 329 of 2021 (DDJ)**

**IN THE MATTER OF THE COMPANIES ACT (2021 REVISION)**

**AND IN THE MATTER OF SILVER BASE GROUP HOLDINGS LIMITED**

**Appearances:** Mr. Jonathon Milne of Conyers Dill & Pearman LLP for Silver Base Group Holdings Limited (in provisional liquidation) (the “Company”)

Mr. Hamid Khanbhai of Campbells LLP for the Joint Provisional Liquidators (the “JPLs”)

**Before:** The Hon. Justice David Doyle

**Heard:** 11 February 2022

**Ex Tempore Judgment  
Delivered:** 11 February 2022

### **HEADNOTE**

*Amendment of Order and further adjournment of winding up petition*



## JUDGMENT

1. There are before the Court two applications:
  - i) a summons for a further adjournment of the winding up petition to a date on or after Monday 2 May 2022; and
  - ii) a summons that paragraph 14 of the Order made on 8 December 2021 be amended such that the words “*copy be served upon the Company’s creditors*” be replaced with the words “*copy sent to the Company’s creditors*”.
2. I am grateful to counsel who appeared before the Court this morning for the Company and for the JPLs.
3. In relation to the second application, I am content to Order that amendment and I make such an Order. The Court’s intention was that the creditors be notified. Formal service was unnecessary and I understand impracticable and costly.
4. In respect of the request for a further adjournment, I have considered the first report of the JPLs dated 25 January 2022 and recently brought to my attention. I have also considered the second affidavit of Martin Nicholas John Trott sworn on 4 February 2022 with exhibit MNJT-2-2. I have considered the recently filed first affidavit of Joanna Brathwaite sworn on 7 February 2022.
5. I note the position of the creditors and the restructuring proposal.
6. The JPLs, at paragraph 10.6 of the first report, indicate that the Company is working on a revised restructuring proposal which it hopes will be met with the approval of the overall requisite majority of the Company’s creditors.
7. The JPLs, at paragraph 11.1 of the first report, express their considered view that the current restructuring proposal appears to be feasible and is likely in the best interest of the Company’s creditors subject to certain provisos, including:
  - i) the Purchase Agents are able to supply stocks to the Group by 31 March 2022 to generate sales and cash;



- ii) the Company's indirect investment in Wuliangye can be redeemed or alternatively assigned for adequate value to an external party; and
  - iii) cash can be repatriated from the People's Republic of China to Hong Kong by way of dividend distribution or other methods.
8. There is stated to be a significant risk to the Group if the Purchase Agents fail to deliver the goods by 31 March 2022.
9. I also note the present position in respect of the winding up proceedings in Hong Kong.
10. I record that no creditor has appeared today and that there is no opposition presented to the Court this morning to the request for the adjournment.
11. In such circumstances I am willing to provide one further adjournment but, as indicated during my exchanges with counsel this morning, this matter cannot drag on indefinitely and minds need to be focused as to future progress.
12. To that end, I make the following Order:
  - i) That the winding up petition presented by the Company dated 11 November 2021 be adjourned until 10 am on 5 May 2022;
  - ii) Further restructuring proposals, if any, together with responses to previous concerns expressed by the creditors shall be provided to all known creditors before 8 April 2022 with a request for a response before 22 April 2022;
  - iii) The Court be provided before 3 pm on Friday 29 April 2022 with any updates in respect of the restructuring proposals and the Hong Kong proceedings;
  - iv) All known creditors shall be provided with a copy of the Order;
  - v) The Order shall be filed forthwith in electronic and hard copy form with the Hong Kong Court which make reference to all external proceedings of the company and all subsidiaries of the company currently before the Hong Kong Court;
  - vi) The costs of the Adjournment Summons are to be paid out of the assets of the Company; and

vii) The remuneration and expenses of the JPLs for the Adjournment Summons to be paid out of the assets of the Company.

13. That is the Order I make and that concludes my short judgment in respect of this matter.

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**THE HON. JUSTICE DAVID DOYLE**  
**JUDGE OF THE GRAND COURT**