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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 or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CHINESE FOOD AND BEVERAGE GROUP LIMITED** (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**CHINESE FOOD AND BEVERAGE GROUP LIMITED**

**華人飲食集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8272)**

**(I) PROPOSED CHANGE OF DOMICILE;  
(II) PROPOSED ADOPTION OF NEW MEMORANDUM OF  
CONTINUANCE AND BYE-LAWS;  
(III) PROPOSED CANCELLATION OF  
SHARE PREMIUM ACCOUNT;  
(IV) PROPOSED CAPITAL REORGANIZATION;  
(V) CHANGE OF BOARD LOT SIZE;  
AND  
(VI) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening an extraordinary general meeting (the “EGM”) of the Company to be held at 2/F, The Function Room 3, The Harbourview, 4 Harbour Road, Wan Chai, Hong Kong on Wednesday, 12 June 2019 at 2:15 p.m. is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is enclosed with this circular.

Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the EGM to the office of the Company’s branch registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM in person should you so wish.

This circular will remain on the “Latest Company Announcements” page of GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its publication and the Company’s website at [www.cfbgroup.com.hk](http://www.cfbgroup.com.hk).

20 May 2019

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## CHARACTERISTICS OF THE GEM OF THE EXCHANGE

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## CONTENTS

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	<i>Page</i>
<b>Expected timetable</b> .....	1
<b>Definitions</b> .....	4
<b>Letter from the Board</b> .....	7
<b>Appendix — Summary of the New Memorandum of Continuance and the Bye-laws and differences with the Memorandum and the Articles</b> .....	App-1
<b>Notice of the EGM</b> .....	EGM-1

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## EXPECTED TIMETABLE

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*The expected timetable for implementation of the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganization and the Change of Board Lot Size is set out below (unless otherwise stated, all times and dates in this circular refer to Hong Kong local times and dates):*

**Events** **2019**

Latest time for lodging transfers of shares  
for attending the EGM . . . . . 4:00 p.m. on  
Tuesday, 4 June

Closure of register of members for determining  
the entitlement to attend and vote at the EGM. . . . . Wednesday, 5 June to  
Wednesday, 12 June  
(both dates inclusive)

Latest time and date for lodging forms of proxy for  
the EGM . . . . . 2:15 p.m. on  
Monday, 10 June

Record date of the EGM. . . . . Wednesday, 12 June

Date and time of the EGM . . . . . 2:15 p.m. on  
Wednesday, 12 June

Announcement of poll results of the EGM . . . . . Wednesday, 12 June

**The following events are conditional on the fulfillment of the conditions for the implementation of the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization:**

Effective date of the Cancellation of Share Premium  
Account . . . . . Wednesday, 12 June

Effective date of the Change of Domicile and the  
Adoption of New Memorandum of Continuance and  
Bye-laws. . . . . on or after  
Tuesday, 25 June  
(Bermuda time)/on or after  
Wednesday, 26 June  
(Hong Kong time)

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**EXPECTED TIMETABLE**

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<b>Events</b>	<b>2019</b>
Effective date and time of the Capital Reorganization . . . . .	.9:00 a.m. on Thursday, 18 July
First day for free exchange of existing share certificates for new share certificates for the New Shares . . . . .	Thursday, 18 July
Commencement of dealings in New Shares . . . . .	.9:00 a.m. on Thursday, 18 July
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes . . . . .	.9:00 a.m. on Thursday, 18 July
Temporary counter for trading in the New Shares in board lots of 500 New Shares (in the form of existing share certificates) opens . . . . .	.9:00 a.m. on Thursday, 18 July
Original counter for trading in the New Shares in new board lots of 5,000 New Shares (in the form of new share certificates) re-opens . . . . .	.9:00 a.m. on Thursday, 1 August
Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) commences . . . . .	.9:00 a.m. on Thursday, 1 August
Designated broker starts to stand in the market to provide matching services for odd lots of the New Shares . . . . .	.9:00 a.m. on Thursday, 1 August
Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) ends . . . . .	4:00 p.m. on Wednesday, 21 August
Designated broker ceases to stand in the market to provide matching services for odd lots of the New Shares . . . . .	4:00 p.m. on Wednesday, 21 August

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**EXPECTED TIMETABLE**

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**Events** **2019**

Temporary counter for trading in the New Shares in  
board lots of 500 New Shares (in the form of existing  
share certificates) closes . . . . . 4:00 p.m. on  
Wednesday, 21 August

Last day for free exchange of existing share certificates  
for new share certificates for the New Shares . . . . . 4:00 p.m. on  
Friday, 23 August

**The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.**

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## DEFINITIONS

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“Adoption of New Memorandum of Continuance and Bye-laws”	the proposed adoption of the New Memorandum of Continuance and the Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum and the Articles
“Articles”	the existing amended and restated articles of association of the Company
“Board”	the board of Directors
“Bye-laws”	a new set of bye-laws of the Company proposed to be adopted by the Company and to take effect upon the continuation of the Company in Bermuda
“Cancellation of Share Premium Account”	the proposed cancellation of the entire amount standing to the credit of the share premium account of the Company
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby: (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled (if applicable); and (ii) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.80 each to HK\$0.01 each by cancelling the paid up capital to the extent of HK\$0.79 on each issued Consolidated Share
“Capital Reorganization”	the proposed reorganization of the share capital of the Company comprising the Share Consolidation, the Capital Reduction and the Share Subdivision
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Exchange from 20,000 Existing Shares to 5,000 New Shares
“Change of Domicile”	the proposed change of domicile of the Company from the Cayman Islands to Bermuda
“Companies Act”	the Companies Act 1981 of Bermuda

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## DEFINITIONS

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“Company”	Chinese Food and Beverage Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Consolidated Share(s)”	ordinary share(s) of HK\$0.80 each in the share capital of the Company upon the Share Consolidation becoming effective but before the Capital Reduction and the Share Subdivision becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization
“Exchange”	The Stock Exchange of Hong Kong Limited
“Existing Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company prior to the Capital Reorganization becoming effective
“GEM”	the GEM operated by the Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	17 May 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Memorandum”	the existing amended and restated memorandum of the Company
“New Memorandum of Continuance”	a new memorandum of continuance of the Company proposed to be adopted by the Company and to take effect upon continuation of the Company in Bermuda



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## DEFINITIONS

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“New Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately after the Capital Reorganization becoming effective
“Registrar”	the Hong Kong branch share registrar of the Company, being Union Registrars Limited as at the date of this circular
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s) and/or the New Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every forty (40) issued and unissued Existing Shares into one (1) Consolidated Share
“Share Subdivision”	the proposed sub-division of each of the authorized but unissued Consolidated Shares of HK\$0.80 each into eighty New Shares of HK\$0.01 each
“Shareholder(s)”	the holder(s) of the issued Share(s)
“%”	per cent.

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LETTER FROM THE BOARD

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**CHINESE FOOD AND BEVERAGE GROUP LIMITED**  
**華人飲食集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8272)**

*Executive Directors:*

Mr. Chow Cheuk Hang  
Ms. Wong Hei Man

*Independent non-executive Directors:*

Mr. Yeung Wai Hung, Peter  
Mr. Lau Man Tak  
Mr. Ma Stephen Tsz On

*Registered Office:*

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

*Head Office and Principal Place of  
Business in Hong Kong:*

Room 2101, Yue Xiu Building  
No. 160–174 Lockhart Road  
Wan Chai  
Hong Kong

20 May 2019

*To the Shareholders*

Dear Sir/Madam,

**(I) PROPOSED CHANGE OF DOMICILE;  
(II) PROPOSED ADOPTION OF NEW MEMORANDUM OF  
CONTINUANCE AND BYE-LAWS;  
(III) PROPOSED CANCELLATION OF  
SHARE PREMIUM ACCOUNT;  
(IV) PROPOSED CAPITAL REORGANIZATION;  
(V) CHANGE OF BOARD LOT SIZE;  
AND  
(VI) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

As announced by the Company in its announcement dated 30 April 2019, the Company proposed to put forward the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization for approval by the Shareholders (if applicable) at the EGM.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you detailed information regarding, among other things, details of the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganization and the Change of Board Lot Size and a notice convening the EGM.

### **PROPOSED CHANGE OF DOMICILE**

The Board proposes to change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. The Board also proposes to implement the Capital Reorganization after the Change of Domicile becoming effective, details of which are set out in the paragraph headed “Proposed Capital Reorganization” below.

#### **Effect of the Change of Domicile**

Other than the expenses to be incurred, the Change of Domicile will not alter the underlying assets, investments, management or financial position of the Company nor the proportionate interests of the Shareholders. The Company’s legal advisers as to the laws of the Cayman Islands and Bermuda are of the view that the continuation of the Company in Bermuda does not create a new legal entity or prejudice or affect the continuity of the Company. The Company will continue to maintain a place of business in Hong Kong.

The Change of Domicile also will not involve the formation of a new holding company, the withdrawal of listing of the Existing Shares, any issue of new Existing Shares, any transfer of assets of the Company or any change in the existing shareholding of the Company. Implementation of the Change of Domicile will not affect the listing status of the Company on the Exchange.

The existing share certificates for the Existing Shares will continue to be valid and effective as documents of title and for trading and settlement purpose after the Change of Domicile becoming effective.

#### **Reasons for the Change of Domicile**

As advised by the Company’s legal advisers as to the laws of the Cayman Islands, if the Company proceeds with the Capital Reorganization, which includes, among other things, the Capital Reduction in the Cayman Islands, the sanction by the Grand Court of the Cayman Islands would be required, and such sanction cannot be obtained in a commercially expedient time frame. If the Capital Reorganization will be effected by way of a change of domicile of the Company from the Cayman Islands to Bermuda through de-registration in the Cayman Islands and continuation in Bermuda, the legal advisers of the Company as to the laws of the Cayman Islands and Bermuda advised that no court order is required in the Cayman Islands or Bermuda for the Change of Domicile and the Capital Reorganization after de-registration of the Company in the Cayman Islands and its continuation in Bermuda. The Board considers that it would save the Company’s time for carrying out the Capital Reorganization in Bermuda by first implementing the Change of Domicile.

The Board believes that the Change of Domicile is beneficial to and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Conditions of the Change of Domicile

The Change of Domicile is conditional upon:

- (1) the passing of the necessary special resolution(s) by the Shareholders at the EGM to approve the Change of Domicile and the Adoption of New Memorandum of Continuance and Bye-laws;
- (2) compliance with the relevant requirements under the GEM Listing Rules and the relevant legal procedures and requirements under the laws of the Cayman Islands and the laws of Bermuda in respect of the Change of Domicile; and
- (3) the obtaining of all necessary approvals from the relevant regulatory authorities or otherwise as may be required in respect of the Change of Domicile.

The Change of Domicile is not conditional upon the Capital Reorganization becoming effective. However, the Capital Reorganization is conditional upon the Change of Domicile becoming effective.

### PROPOSED ADOPTION OF NEW MEMORANDUM OF CONTINUANCE AND BYE-LAWS

In connection with the Change of Domicile, it is proposed that the New Memorandum of Continuance and the Bye-laws be adopted by the Company to replace the Memorandum and Articles, respectively, in order to comply with the laws of Bermuda.

The Adoption of New Memorandum of Continuance and Bye-laws is subject to Shareholders' approval at the EGM. A summary of the provisions of the New Memorandum of Continuance and the Bye-laws which will become effective upon continuation of the Company in Bermuda and their differences with the Memorandum and the Articles are set out in the Appendix to this circular.

### PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT

The Board proposes to cancel the entire amount standing to the credit of the share premium account of the Company and to transfer the credits arising from such cancellation to an account designated as the contributed surplus account of the Company before the Change of Domicile becoming effective. As at 31 December 2018, the Company had a credit balance of approximately HK\$497,676,000 standing in its share premium account.

The account designated as the contributed surplus account of the Company, subject to the approval of the Shareholders at the EGM by way of a special resolution, shall be the contributed surplus account of the Company within the meaning of the Companies Act upon the Change of Domicile becoming effective.

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## LETTER FROM THE BOARD

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### **Condition of the Cancellation of Share Premium Account**

The Cancellation of Share Premium Account is conditional upon the passing of a special resolution by the Shareholders at the EGM to approve the transfer of the credits arising from the cancellation of the entire amount standing to the credit of the share premium account of the Company to an account designated as the contributed surplus account of the Company and that such designated contributed surplus account of the Company shall be the contributed surplus account of the Company within the meaning of the Companies Act upon the Change of Domicile becoming effective.

### **PROPOSED CAPITAL REORGANIZATION**

The Board proposes to implement the Capital Reorganization after the Change of Domicile becoming effective which involves the following:

#### **(1) Proposed Share Consolidation**

The Board proposes to effect the Share Consolidation pursuant to which every forty (40) issued and unissued Existing Shares of HK\$0.02 each will be consolidated into one (1) Consolidated Share of HK\$0.80 each and where applicable, the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company which may arise from the Share Consolidation.

#### **(2) Proposed Capital Reduction and Share Subdivision**

The Board proposes that:

- (a) the issued share capital of the Company will be reduced through a cancellation of the paid-up capital of the Company to the extent of HK\$0.79 on each of the issued Consolidated Shares such that the nominal value of each issued Consolidated Share will be reduced from HK\$0.80 to HK\$0.01;
- (b) immediately following the Capital Reduction, each of the authorized but unissued Consolidated Shares of HK\$0.80 each will be sub-divided into eighty New Shares of HK\$0.01 each; and
- (c) the credits arising in the books of the Company from (i) the cancellation of any fraction in the issued share capital of the Company which may arise from the Share Consolidation; and (ii) the Capital Reduction will be credited to the contributed surplus account of the Company within the meaning of the Companies Act.

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## LETTER FROM THE BOARD

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Assuming that there are no other changes in the issued share capital of the Company from the Latest Practicable Date until the effective date of the Capital Reorganization, the share capital structure of the Company will be as follows:

	<b>As at the Latest Practicable Date</b>	<b>Immediately upon Capital Reorganization becoming effective</b>
Par value	HK\$0.02	HK\$0.01
Authorized share capital	HK\$100,000,000.00	HK\$100,000,000.00
Number of authorized shares	5,000,000,000	10,000,000,000
Nominal value of issued share capital	HK\$63,403,200.00	HK\$792,540.00
Number of issued shares	3,170,160,000	79,254,000
Number of unissued shares	1,829,840,000	9,920,746,000

The New Shares in issue immediately following the Capital Reorganization becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganization will not result in any change in the relative rights of the Shareholders. Any fractional Share arising from the Share Consolidation will not be allocated to the Shareholders. Any fractional entitlement to the Consolidated Shares will be aggregated, sold and retained for the benefit of the Company.

Any credit arising as a result of the Capital Reduction will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act which, together with the amount already in the contributed surplus account as a result of the Cancellation of Share Premium Account and any credit which may arise as a result of the cancellation of any fraction in the issued share capital of the Company arising from the Share Consolidation, will then be applied by the Board to set off against the accumulated losses of the Company in full or by the amount of such credits on the date of the Capital Reorganization becoming effective.

Shareholders and potential investors should note that the credits arising in the books from the Capital Reorganization will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganization becoming effective.

Under the laws of Bermuda, the Directors may apply the contributed surplus in any manner permitted by the laws of Bermuda and the bye-laws of the Company in effect from time to time.

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## LETTER FROM THE BOARD

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Other than the expenses to be incurred in relation to the Capital Reorganization and the Change in Board Lot Size which are expected to be insignificant in the context of the net asset value of the Company, the implementation of the Capital Reorganization and the Change in Board Lot Size will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional New Shares will not be allocated to Shareholders who may otherwise be entitled, if any.

### **Conditions of the Capital Reorganization**

The Capital Reorganization is conditional on:

- (1) the Change of Domicile and the Adoption of New Memorandum of Continuance and Bye-laws becoming effective;
- (2) the passing of the necessary special resolution(s) by the Shareholders approving the Capital Reorganization at the EGM;
- (3) the Exchange granting the listing of, and permission to deal in, the New Shares to be issued upon the Capital Reorganization becoming effective;
- (4) compliance with the relevant procedures and requirements under the laws of Bermuda and the GEM Listing Rules to effect the Capital Reorganization; and
- (5) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganization.

The requirements of section 46(2) of the Companies Act include (i) publication of a notice in relation to the Capital Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the effective date of the Capital Reduction; and (ii) that the Directors are satisfied that on the effective date of the Capital Reduction, there are no reasonable grounds for believing that the Company is, or after the effective date of the Capital Reduction would be, unable to pay its liabilities as they become due.

Subject to the above conditions being fulfilled, the Capital Reorganization is currently expected to be effective on Thursday, 18 July 2019.

### **REASONS FOR THE CAPITAL REORGANIZATION**

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. In this regard, the Share Consolidation would enable the Company to comply with the trading requirements of the GEM Listing Rules.

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## LETTER FROM THE BOARD

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At the request of the Exchange, the Board proposes to implement the Share Consolidation to comply with the requirements under the GEM Listing Rules.

The Company is prohibited from issuing new shares at below their par value. The Capital Reduction and the Share Subdivision will give the Company greater flexibility in pricing any future issue of Shares. Furthermore, the credit in the contributed surplus account arising from the Capital Reduction will enable the Company to set off its accumulated losses as may arise from time to time and may be applied in the future for distribution to the Shareholders or in any manner permitted by the Companies Act and the Bye-laws.

The Board considers that the Capital Reorganization is beneficial to and in the interests of the Company and the Shareholders as a whole.

### **APPLICATION FOR THE LISTING OF THE NEW SHARES**

An application will be made by the Company to the Exchange for the listing of, and the permission to deal in, the New Shares to be in issue upon the Capital Reorganization becoming effective.

Subject to the granting of the listing of, and permission to deal in, the New Shares on the Exchange, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the New Shares on the Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Exchange, and at the time the Capital Reorganization becomes effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Exchange, and no such listing or permission to deal is being or is proposed to be sought.

### **OTHER ARRANGEMENTS**

#### **Fractional entitlement to Consolidated Shares following the Share Consolidation**

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be allocated to the Shareholders, but will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.



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## LETTER FROM THE BOARD

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### **Exchange of share certificates**

Subject to the Capital Reorganization becoming effective, which is currently expected to be on Thursday, 18 July 2019, Shareholders may between 9:00 a.m. and 4:00 p.m. on any business day during the period from Thursday, 18 July 2019 to Friday, 23 August 2019 (both days inclusive), submit share certificates for the Existing Shares (in light yellow color) to the Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong to exchange for new share certificates on the basis of every forty (40) Existing Shares for one (1) New Share without any fractional New Share, for the New Shares (in light blue color) at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 each (or such higher amount as may from time to time be allowed by the Exchange) will be payable by the Shareholders to the Registrar for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of share certificates involved is higher.

After 4:00 p.m. on Wednesday, 21 August 2019, trading will only be in New Shares which share certificates will be issued in light blue color. Existing share certificates in light yellow color for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

### **CHANGE IN BOARD LOT SIZE**

As at the Latest Practicable Date, the Shares are traded in board lots of 20,000 Existing Shares. Conditional upon the Capital Reorganization becoming effective, the Board also proposes to change the board lot size for trading on the Exchange from 20,000 Existing Shares to 5,000 New Shares.

Based on the closing price of HK\$0.01 per Existing Share (equivalent to the theoretical closing price of HK\$0.40 per New Share) as quoted on the Exchange at the Latest Practicable Date, the value of each existing board lot of 20,000 Existing Shares is HK\$200.00 and the theoretical value for each new board lot of 5,000 New Shares would be HK\$2,000.00.

### **Arrangement on odd lots trading**

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares arising from the Capital Reorganization (if any), the Company has appointed Kingston Securities Limited as an agent to provide matching services, on a best efforts basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares. Shareholders who wish to take advantage of this facility should contact Mr. James Lee of Kingston Securities Limited at 72/F, The Center, 99 Queen's Road Central, Central, Hong Kong at telephone number (852) 2298 6228 from 9:00 a.m. on Thursday, 1 August 2019 to 4:00 p.m. on Wednesday, 21 August 2019 (both days inclusive). Shareholders should note

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## LETTER FROM THE BOARD

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that successful matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

### ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the Company has no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares, Consolidated Shares or New Shares, as the case may be.

### THE EGM

The EGM will be held for the Shareholders to consider and, if thought fit, approve the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization.

The notice of the EGM is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the EGM. An announcement on the results of the vote by poll will be made by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, no Shareholder has an interest in the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization. Therefore, no Shareholder is required to abstain from voting on the resolutions to be proposed at the EGM.

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## LETTER FROM THE BOARD

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### RECOMMENDATIONS

The Directors consider that the Change of Domicile, the Adoption of New Memorandum of Continuance and Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganization are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the EGM.

### RESPONSIBILITY STATEMENT

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

By order of the Board  
**CHINESE FOOD AND BEVERAGE GROUP LIMITED**  
**Chow Cheuk Hang**  
*Executive Director*

Set out below is a summary of the provisions of the New Memorandum of Continuance and the Bye-laws which will become effective upon continuation of the Company in Bermuda and their differences with the Memorandum and the Articles.

## 1. THE MEMORANDUM AND THE NEW MEMORANDUM OF CONTINUANCE

The Memorandum states, *inter alia*, that the liability of each member of the Company is limited to the amount from time to time unpaid on such member's shares, that the objects for which the Company is established are unrestricted and that the Company shall have and be capable of exercising all the functions of a natural person of full capacity, irrespective of any question of corporate benefit provided that the Company shall only carry on the businesses for which a licence is required under the laws of the Cayman Islands when so licensed under the terms of such laws.

Upon continuance of the Company in Bermuda, the Company will adopt the New Memorandum of Continuance which, upon filing with and registration by the Bermuda Registrar, will in effect be the Company's new memorandum of association. The New Memorandum of Continuance states, *inter alia*, that the liability of members of the Company is limited to the amount, if any, for the time being unpaid on the shares respectively held by them and that the Company is an exempted company as defined in the Companies Act. The New Memorandum of Continuance also sets out the objects of the Company from the date of continuance are unrestricted and that the Company has the capacity, rights, powers and privileges of a natural person. As an exempted company, the Company will be carrying on business outside Bermuda.

In accordance with and subject to section 42A of the Companies Act, the New Memorandum of Continuance empowers the Company to purchase its own shares and pursuant to its Bye-laws, this power is exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

## 2. THE ARTICLES AND THE BYE-LAWS

### (a) Directors

#### (i) *Power to allot and issue shares and warrants*

##### *Summary*

Subject to the Companies Act, the New Memorandum of Continuance and the Bye-laws and any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine. Subject to the Companies Act, the New Memorandum of Continuance and the Bye-laws

and any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that are liable to be redeemed at a determinable date or at the option of the Company or the holder, on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the members of the Company determine. The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

Subject to the provisions of the Companies Act, the Bye-laws, any direction that may be given by the Company in general meeting and, where applicable, the rules of any Designated Stock Exchange (as defined in the Bye-laws) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares in the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine, but so that no shares shall be issued at a discount to their nominal value.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members of the Company with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

#### *Material differences*

The Articles contain substantially the same provisions.

#### ***(ii) Power to dispose of the assets of the Company or any of its subsidiaries***

##### *Summary*

There are no specific provisions in the Bye-laws relating to the disposal of the assets of the Company or any of its subsidiaries.

*Note:* The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Bye-laws or the laws of Bermuda to be exercised or done by the Company in general meeting.

*Material differences*

The Articles do not contain any prohibition or restriction on the disposal of the assets of the Company or any of its subsidiaries.

***(iii) Compensation or payments for loss of office****Summary*

Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

*Material differences*

The Articles contain the same provision.

***(iv) Loans and provision of security for loans to Directors****Summary*

There are no provisions in the Bye-laws relating to the making of loans to Directors. However, the Companies Act contains restrictions on companies making loans or providing security for loans to their directors.

*Material differences*

There are provisions in the Articles prohibiting (i) the making of a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange (as defined in the Articles)); (ii) the entering into of any guarantee or the provision of any security in connection with a loan made by any person to a Director or such a director; or (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, the making of a loan to that other company or the entering into of any guarantee or the provision of any security in connection with a loan made by any person to that other company.

**(v) *Financial assistance to purchase shares of the Company****Summary*

Subject to compliance with the rules and regulations of the Designated Stock Exchange (as defined in the Bye-laws) and any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

*Material differences*

The Company is also empowered under the Articles to give financial assistance subject to compliance with the rules and regulations of the Designated Stock Exchange (as defined in the Articles) and any other relevant regulatory authority.

**(vi) *Disclosure of interests in contracts with the Company or any of its subsidiaries****Summary*

A Director may hold any other office or place of profit with the Company (except that of auditor of the Company) in conjunction with his office of Director for such period and, subject to the Companies Act, upon such terms as the Board may determine, and may be paid such remuneration (whether by way of salary, commission, participation in profits or otherwise) in respect of any such other office or place of profit in addition to any remuneration provided for by or pursuant to any other Bye-laws. A Director may be or become a director or other officer of, or a member of, any company promoted by the Company or any other company in which the Company may be interested as a vendor, shareholder or otherwise, and shall not be liable to account for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. Subject as otherwise provided by the Bye-laws, the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

Subject to the Companies Act and to the Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which

any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the members of the Company for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with the Bye-laws. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates (as defined in the Bye-laws) is materially interested but this prohibition shall not apply to any of the following matters, namely:

- (aa) any contract or arrangement for the giving to such Director or his close associate(s) (as defined in the Bye-laws) any security or indemnity in respect of money lent by him or any of his close associate(s) (as defined in the Bye-laws) or obligations incurred or undertaken by him or any of his close associate(s) (as defined in the Bye-laws) at the request of or for the benefit of the Company or any of its subsidiaries;
- (bb) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) (as defined in the Bye-laws) has himself/ themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (cc) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) (as defined in the Bye-laws) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;



- (dd) any contract or arrangement in which the Director or his close associate(s) (as defined in the Bye-laws) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or
- (ee) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, their close associate(s) (as defined in the Bye-laws) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s) (as defined in the Bye-laws), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

*Material differences*

The Articles contain similar provisions save and except that (i) instead of the interest of “close associates” (as defined in the Bye-laws), the exceptions to the Director’s right to vote and be counted in quorum concern the interest of “associates” (as defined in the Articles); and (ii) there is an extra exception to a Director’s right to vote and be counted in quorum (i.e., any contract or arrangement concerning any other company in which the Director or his associates (as defined in the Articles) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates (as defined in the Articles) are not in aggregate beneficially interested in five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates (as defined in the Articles) is derived).

**(vii) Remuneration**

*Summary*

The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting, and such remuneration (unless otherwise directed by the resolution by which it is voted) shall be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. The Directors shall also be entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably incurred or expected to

be incurred by them in attending any Board meetings, meetings of committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties as Directors.

Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-laws.

A Director appointed to be a managing director, joint managing director, deputy managing director or to hold any other employment or other executive office of the Company shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's monies to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and ex-employees of the Company and their dependants or any class or classes of such persons.

The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as is mentioned in the previous paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of, or upon, or at any time after, his actual retirement.

*Material differences*

The Articles contain substantially the same provisions.

*(viii) Retirement, appointment and removal**Summary*

At each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three (3), then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement at least once every three (3) years. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

*Note:* There are no provisions relating to retirement of Directors upon reaching any age limit.

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the members of the Company in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the members of the Company in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of members of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Neither a Director nor an alternate Director is required to hold any shares in the Company by way of qualification.

A Director may be removed by an ordinary resolution of the Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages under any agreement between him and the Company) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention to do so and be served on such Director fourteen (14) days before the meeting and, at such meeting, such Director shall be entitled to be heard on the motion for his removal. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There is no maximum number of Directors unless otherwise determined from time to time by members of the Company in general meeting.

The Board may from time to time appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments (but without prejudice to any claim for damages that such Director may have against the Company or vice versa). The Board may delegate any of its powers, authorities and discretions to committees consisting of such Director or Directors and other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

*Material differences*

The Articles contain similar provision relating to the rotation of Directors at least once every three years. Any person appointed by the Board as a Director (whether to fill a casual vacancy or as an addition to the Board) shall hold office until the next following annual general meeting. There is no requirement to serve any notice on the Director who will be removed nor is there any provision allowing such Director to be heard on the motion for his removal as these are requirements under the Companies Act only. There is also no provision requiring Shareholders' approval in case of appointment of a person as an addition to the existing Board.

**(ix) Disqualification**

*Summary*

The office of a Director shall be vacated if the Director: (i) resigns his office by notice in writing delivered to the Company at the registered office of the Company or tendered at a meeting of the Board; (ii) becomes of unsound mind or dies; (iii) without special leave of absence from the Board, is absent from meetings of the Board for six (6) consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated; (iv) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors; (v) is prohibited by law from being a Director; or (vi) ceases to be a Director by virtue of any provision of the Statutes (as defined in the Bye-laws) or is removed from office pursuant to the Bye laws.

*Material differences*

The Articles contain the same provisions relating to disqualification of Directors.

**(x) Borrowing powers***Summary*

The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Companies Act, to issue debentures, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

*Note:* These provisions, in common with the Bye-laws in general, can be varied with the sanction of a special resolution of the Company.

*Material differences*

The Articles contain substantially the same provision.

**(xi) Quorum of meetings***Summary*

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.

*Material differences*

The Articles contain the same provision.

**(b) Alterations to constitutional documents***Summary*

The Bye-laws may be rescinded, altered or amended by the Directors subject to the approval by a resolution of the Directors and the confirmation by a special resolution of the members of the Company. The Bye-laws state that a special resolution shall be required to alter the provisions of the New Memorandum of Continuance or to change the name of the Company.

*Material differences*

Under the Articles, any alteration to the Memorandum and the Articles requires the sanction of a special resolution of the Company.

**(c) Alteration of capital***Summary*

The Company may from time to time by ordinary resolution in accordance with the relevant provisions of the Companies Act:

- (i) increase its capital by such sum, to be divided into shares of such amounts as the resolution shall prescribe;
- (ii) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (iii) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto any preferential, deferred, qualified or special rights, privileges, conditions or restrictions which, in the absence of any such determination by the Company in general meeting, as the Directors may determine;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the New Memorandum of Continuance (subject, nevertheless, to the Companies Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;
- (v) change the currency denomination of its share capital;
- (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and
- (vii) cancel any shares which, at the date of passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

The Company may, by special resolution, subject to any confirmation or consent required by law, reduce its authorised or issued share capital or, save for the use of share premium as expressly permitted by the Companies Act, any share premium account or other undistributable reserve.

*Material differences*

The Articles contain similar provisions save and except that there is no express provision in the Articles authorising the Company to do (v) by way of ordinary resolution. However, it does not necessarily mean that the Company may

not do (v) as the Directors have general power under the Articles to do all such acts and things that are not by the Articles or by the Companies Law required to be exercised or done in general meeting. The Articles also similarly provide that the Company may also by special resolution reduce its share capital or any capital redemption reserve or other undistributable reserve.

**(d) Variation of rights of existing shares or classes of shares**

*Summary*

Subject to the Companies Act, all or any of the special rights attached to the shares or any class of shares may (unless otherwise provided for by the terms of issue of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Bye-laws relating to general meetings will *mutatis mutandis* apply, but so that (i) the necessary quorum (other than at an adjourned meeting) shall be two (2) persons (or in the case of a member of the Company being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting two (2) holders present in person or (in the case of a member of the Company being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and (ii) every holder of shares of the class shall be entitled to one (1) vote for every such share held by him.

*Material differences*

The Articles contain substantially the same provisions.

**(e) Special resolution — majority required**

*Summary*

A special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members of the Company as, being entitled so to do, vote in person or, in the case of such members of the Company as are corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice of not less than fourteen (14) clear days and not less than ten (10) clear business days has been duly given. Provided that if permitted by the Designated Stock Exchange (as defined in the Bye-laws), except in the case of an annual general meeting, if it is so agreed by a majority in number of the members of the Company having the right to attend and vote at such meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all members of the Company and, in the case of an annual general meeting, if so

agreed by all members of the Company entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which notice of less than fourteen (14) clear days and less than ten (10) clear business days has been given.

### *Material differences*

The definition of special resolution under the Articles is similar save and except that the notice period for passing special resolution is twenty-one (21) clear days and in case of general meeting other than annual general meeting, the notice period can be shortened if it is agreed by a majority in number of the members of the Company having the right to attend and vote at such meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

### **(f) Voting rights**

#### *Summary*

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Bye-laws, at any general meeting on a poll every member of the Company present in person or by proxy or (being a corporation) by its duly authorised representative shall have one (1) vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or installments is treated for the foregoing purposes as paid up on the share.

At any general meeting, a resolution put to the vote of the meeting is to be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

If a recognised clearing house (or its nominee(s)) is a member of the Company it may authorise such persons as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) as if such person was the registered holder of the shares held by that clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.



Where the Company has any knowledge that any Shareholder is, under the rules of the Designated Stock Exchange (as defined in the Bye-laws), required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

*Material differences*

The Articles contain similar provisions save and except that resolution put to the vote of a meeting shall be decided on a show of hands unless a voting by way of poll is required by the rules of the Designated Stock Exchange (as defined in the Articles) or a poll is demanded in accordance with the Articles.

**(g) Requirements for annual general meetings**

*Summary*

An annual general meeting of the Company must be held in each year other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules of any Designated Stock Exchange (as defined in the Bye-laws), if any) and place as may be determined by the Board.

*Material differences*

Similarly, the Company must hold a general meeting as its annual general meeting in each year and not more than fifteen (15) months (unless a longer period would not infringe the rules of the Designated Stock Exchange (as defined in the Articles)) shall elapse between the date of one annual general meeting and the next.

**(h) Accounts and audit**

*Summary*

The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the provisions of the Companies Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

The accounting records shall be kept at the registered office of the Company or, subject to the Companies Act, at such other place or places as the Board decides and shall always be open to inspection by any Director. No member of the

Company (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.

Subject to the Companies Act and the Bye-laws, a printed 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 to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the members at the annual general meeting in accordance with the requirements of the Companies Act provided that this provision shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures; however, to the extent permitted by and subject to due compliance with all applicable laws, including, without limitation, the rules of the Designated Stock Exchange (as defined in the Bye-laws), the Company may send to such persons summarised financial statements derived from the Company's annual accounts and the Directors' report instead provided that any such person may by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statement and the Directors' report thereon.

Subject to the Companies Act, at the annual general meeting or at a subsequent special general meeting in each year, the members of the Company shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the members of the Company appoint another auditor. Such auditor may be a member of the Company but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company. The remuneration of the auditor shall be fixed by the Company in general meeting or in such manner as the members of the Company may determine. The members of the Company may, at any general meeting, by special resolution remove the auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another auditor in his stead for the remainder of his term in accordance with the requirements under the Bye-laws.

The financial statements of the Company shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the members of the Company in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing

standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the auditor should disclose this fact and name such country and jurisdiction.

*Material differences*

The Articles contain substantially the similar provisions save and except that auditor shall hold office until the next annual general meeting.

**(i) Convening of general meetings**

*Summary*

The Board may whenever it thinks fit call special general meetings, and member or members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

*Material differences*

The Articles contain the same provision.

**(j) Notices of meetings and business to be conducted thereat**

*Summary*

An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meeting (including a special general meeting) shall be called by notice of not less than fourteen (14) clear days and not less than ten (10) clear business days (in each case exclusive of the day on which the notice is given or deemed to be given and of the day for which it is given or on which it is to take effect). The notice must specify the time and place of the meeting and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such.

*Material differences*

The Articles contain similar provisions, but there is no clear business day notice requirement. Further, a notice convening a meeting to pass a special resolution shall be called by not less twenty-one (21) clear days' notice.

**(k) Transfer of shares***Summary*

All transfers of shares may be effected by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange (as defined in the Bye-laws) or in any other form as the Board may approve and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit, in its discretion, to do so and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof. The Board may also resolve, either generally or in any particular case, upon request by either the transferor or the transferee, to accept mechanically executed transfers.

The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be transferred to any branch register nor shall shares on any branch register be transferred to the principal register or any other branch register. All transfers and other documents of title shall be lodged for registration and registered, in the case of shares on a branch register, at the relevant Registration Office (as defined in the Bye-laws) and, in the case of shares on the principal register, at the registered office of the Company in Bermuda or such other place in Bermuda at which the principal register is kept in accordance with the Companies Act.

The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four (4) joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognise any instrument of transfer unless a fee of such maximum sum as any Designated Stock Exchange (as defined in the Bye-laws) may determine to be payable or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof, the instrument of transfer, if applicable, is duly and properly stamped, is in respect of only one (1) class of share and is lodged at the relevant Registration Office (as defined in the Bye-laws) or registered office or such other place in Bermuda at which the

principal register is kept in accordance with the Companies Act accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The registration of transfers may be suspended after notice has been given by advertisement in any newspapers in accordance with the requirements of any Designated Stock Exchange (as defined in the Bye-laws) or by any means in such manner as may be accepted by the Designated Stock Exchange (as defined in the Bye-laws) to that effect, at such times and for such periods as the Board may determine and either generally or in respect of any class of shares. The registration of transfers of shares shall not be suspended for periods exceeding in the whole thirty (30) days in any year.

*Material differences*

The Articles contain substantially the same provisions.

**(l) Power for the Company to purchase its own shares**

*Summary*

The Bye-laws supplement the Company's New Memorandum of Continuance (which gives the Company the power to purchase its own shares) by providing that the power is exercisable by the Board upon such terms and conditions as it thinks fit, subject to the Companies Act, the New Memorandum of Continuance and, where applicable, the rules of any Designated Stock Exchange (as defined in the Bye-Laws) and/or any competent regulatory authority.

*Material differences*

The Articles provide that subject to the provisions of the Law (as defined in the Articles), the Memorandum and the Articles and, where applicable, the rules of the Designated Stock Exchange (as defined in the Articles) and/or any competent regulatory authority, the Company's power to repurchase shares shall be exercisable by the Directors.

**(m) Power for any subsidiary of the Company to own shares in the Company**

*Summary*

There are no provisions in the Bye-laws relating to ownership of shares in the Company by a subsidiary.

*Material differences*

Similarly, the Articles do not contain any such provision.

**(n) Power for the Company to pay commission in relation to issue of shares*****Summary***

The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Companies Act. Subject to the Companies Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

***Material differences***

The Articles contain the same provision.

**(o) Dividends and other methods of distribution*****Summary***

Subject to the Companies Act, the Company in general meeting may declare dividends in any currency to be paid to the members of the Company but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to its members out of any contributed surplus (as ascertained in accordance with the Companies Act). No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide, (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid but no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and (ii) all dividends shall be apportioned and paid *pro rata* according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to a member of the Company by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the Shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (ii) that Shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. The Company may also upon the recommendation of the Board by an

ordinary resolution resolve in respect of any one particular dividend of the Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to Shareholders to elect to receive such dividend in cash in lieu of such allotment.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six (6) years after having been declared may be forfeited by the Board and shall revert to the Company.

***Material differences***

The Articles contain substantially similar provisions save and except that there is no reference to contributed surplus which is distributable under the law of Bermuda only.

**(p) Proxies**

***Summary***

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two (2) or more shares may appoint more than one (1) proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.

***Material differences***

The Articles contain the same provision.

**(q) Call on shares and forfeiture of shares**

***Summary***

Subject to the Bye-laws and to the terms of allotment, the Board may from time to time make calls upon the members of the Company in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium). A call may be made payable

either in one lump sum or by installments. If the sum payable in respect of any call is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding twenty per cent. (20%) per annum as the Board may determine, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member of the Company willing to advance the same, either in money or money's worth, all or any part of the monies uncalled and unpaid or installments payable upon any shares held by him, and upon all or any of the monies so advanced the Company may pay interest at such rate (if any) as the Board may decide.

If a member of the Company fails to pay any call on the day appointed for payment thereof, the Board may serve not less than fourteen (14) clear days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent. (20%) per annum as the Board determines.

#### *Material differences*

The Articles contain the same provision.

#### **(r) Inspection of register of members**

##### *Summary*

The principal register and branch register of members of the Company shall be open to inspection between 10:00 a.m. and 12:00 noon during business hours by members of the public without charge at the registered office or such other



place in Bermuda at which the register is kept in accordance with the Companies Act, unless the register is closed in accordance with the Bye-laws and the Companies Act. The principal register and branch register may be closed for inspection 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.

*Material differences*

The Articles contain similar provision save and except that inspection of the register of members by the public (not being a member of the Company) is subject to maximum payment of \$2.50 (for inspection in the Cayman Islands) or \$1.00 or such lesser sum specified by the Directors (for inspection at the Registration Office (as defined in the Articles)).

**(s) Quorum for meetings and separate class meetings**

*Summary*

For all purposes the quorum for a general meeting shall be two (2) members of the Company present in person or (in the case of a member of the Company being a corporation) by its duly authorised representative or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two (2) persons (or in the case of a member of the Company being a corporation, its duly authorised representative) holding or representing by proxy not less than one third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two (2) holders present in person or (in the case of a member of the Company being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum.

*Material differences*

The Articles contain the same provision.

**(t) Rights of the minorities in relation to fraud or oppression**

*Summary*

There are no provisions in the Bye-laws relating to rights of minority Shareholders in relation to fraud or oppression. However, certain remedies are available to Shareholders under the law of Bermuda.

*Material differences*

The Articles contain no provisions specifically dealing with such rights of minority Shareholders.

**(u) Procedures on liquidation***Summary*

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Act, divide among the members of the Company in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of properties of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members of the Company or different classes of members of the Company. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members of the Company as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

*Material differences*

The Articles contain the same provision.

**(v) Untraceable members***Summary*

The Company may sell any of the shares of a member of the Company who is untraceable if (i) all cheques or warrants (being not less than three (3) in total number) for any sum payable in cash to the holder of such shares have remained uncashed for a period of twelve (12) years before the date of publication of the advertisement referred to in (iii) in this paragraph; (ii) upon the expiry of the period of twelve (12) years before the date of publication of the advertisement referred to in (iii) in this paragraph, so far as it is aware at the end of such period, the Company has not during that time received any indication of the existence of the member of the Company by death, bankruptcy or operation of law; and (iii) the Company has caused an advertisement to be published in accordance with the rules of the Designated Stock Exchange (as defined in the Bye-laws) giving notice

of its intention to sell such shares and a period of three (3) months, or such shorter period as may be permitted by the Designated Stock Exchange (as defined in the Bye-laws), has elapsed since such advertisement and the Designated Stock Exchange (as defined in the Bye-laws) has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

*Material differences*

The Articles contain the same provision.

**(w) Indemnity**

*Summary*

The Directors, secretary and other officers and every auditor for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts.

*Material differences*

The Articles contain the same provision.

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## NOTICE OF THE EGM

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**CHINESE FOOD AND BEVERAGE GROUP LIMITED**  
**華人飲食集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8272)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“**Meeting**”) of Chinese Food and Beverage Group Limited (“**Company**”) will be held at 2/F, The Function Room 3, The Harbourview, 4 Harbour Road, Wan Chai, Hong Kong on Wednesday, 12 June 2019 at 2:15 p.m. to consider and, if thought fit, pass the following resolutions as special resolutions of the Company:

#### SPECIAL RESOLUTIONS

1. **“THAT:**

- (a) subject to the obtaining of all necessary governmental and regulatory consents, the change of the domicile of the Company (“**Change of Domicile**”) from the Cayman Islands to Bermuda by way of de-registration as a company under the laws of the Cayman Islands and continuation of the Company as an exempted company under the laws of Bermuda be and is hereby approved;
- (b) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the memorandum of continuance, a copy of which has been produced to the Meeting marked “**A**” for the purpose of identification, be and is hereby adopted in substitution for the existing amended and restated memorandum of the Company, effective from the date that the memorandum of continuance is approved and registered by the Registrar of Companies in Bermuda;
- (c) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the bye-laws of the Company, a copy of which has been produced to the Meeting marked “**B**” for the purpose of identification, be and is hereby adopted in substitution for the existing amended and restated articles of association of the Company, effective from the date that the memorandum of continuance is approved and registered by the Registrar of Companies in Bermuda;

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- (d) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the maximum number of directors of the Company (“**Directors**”) shall, for the time being, be fixed at twenty (20) and the Directors be and are hereby authorized to fill any vacancies on the board of Directors (the “**Board**”) and to appoint additional Directors up to the maximum number determined herein or such other maximum number as may be determined from time to time by members of the Company in general meeting and to appoint alternate Directors at their discretion; and
  - (e) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Change of Domicile.”
2. “**THAT** subject to the passing of special resolution numbered 1 above:
- (a) the entire amount standing to the credit of the share premium account of the Company as at the date of passing this resolution be and is hereby cancelled and transferred to an account designated as the contributed surplus account of the Company (“**Cancellation of Share Premium Account**”);
  - (b) the account designated as the contributed surplus account of the Company be designated as the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (“**Contributed Surplus Account**”) upon the Change of Domicile (as defined in special resolution numbered 1 above) becoming effective and the amount standing to the credit of such designated account shall continue to stand to the credit of the Contributed Surplus Account upon the Change of Domicile becoming effective; and
  - (c) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Cancellation of Share Premium Account.”
3. “**THAT** subject to the passing of special resolution numbered 1 above and conditional upon the Change of Domicile (as defined in special resolution numbered 1 above) becoming effective and The Stock Exchange of Hong Kong Limited (“**Exchange**”) granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reorganization (as defined below):
- (a) every forty issued and unissued shares of HK\$0.02 each in the existing share capital of the Company be and are consolidated (“**Share Consolidation**”) into one share of HK\$0.80 each (“**Consolidated Shares**”);

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## NOTICE OF THE EGM

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- (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be and is rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation;
- (c) the par value of each of the then issued Consolidated Shares be and is hereby reduced from HK\$0.80 each to HK\$0.01 each (“**New Shares**”) by cancelling the capital paid-up thereon to the extent of HK\$0.79 on each of the then issued Consolidated Shares (together with sub-paragraph (b) above are hereinafter referred to as “**Capital Reduction**”);
- (d) each of the then authorized but unissued Consolidated Shares of HK\$0.80 each be and is hereby sub-divided into eighty New Shares of HK\$0.01 each (“**Share Subdivision**”, together with the Share Consolidation and the Capital Reduction, “**Capital Reorganization**”);
- (e) the credits arising from the Capital Reduction be transferred to the Contributed Surplus Account (as defined in special resolution numbered 2 above) and the Board be and is hereby authorized to use the amount then standing to the credit of the Contributed Surplus Account in any manner as may be permitted under the bye-laws of the Company in effect from time to time and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company which may arise from time to time and/or paying dividends and/or making any other distribution out of the Contributed Surplus Account from time to time without any further authorization from the shareholders of the Company and all such actions in relation thereto be and are approved, ratified and confirmed; and
- (f) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Capital Reorganization involving the Share Consolidation, the Capital Reduction and the Share Subdivision and (where applicable) to aggregate all fractional New Shares and sell them for the benefit of the Company.”

By order of the Board  
**CHINESE FOOD AND BEVERAGE GROUP LIMITED**  
**Chow Cheuk Hang**  
*Executive Director*

Hong Kong, 20 May 2019

*Registered Office:*  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*  
Room 2101, Yue Xiu Building  
No. 160–174 Lockhart Road  
Wan Chai  
Hong Kong

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## NOTICE OF THE EGM

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*Notes:*

1. All resolutions at the Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on the GEM (“**GEM Listing Rules**”) and the results of the poll will be published on the GEM websites of the Exchange and the Company in accordance with the GEM Listing Rules.
2. The register of members of the Company will be closed from Wednesday, 5 June 2019 to Wednesday, 12 June 2019 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the Meeting, all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Union Registrars Limited, Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 4 June 2019.
3. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. 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 Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
4. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
6. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company’s branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
7. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting or any adjournment thereof if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
8. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 11:00 a.m. on the date of the Meeting, the meeting will be postponed. The Company will post an announcement on the Company’s website (<http://www.cfbgroup.com.hk>) and on the GEM website ([www.hkgem.com](http://www.hkgem.com)) to notify Shareholders of the date, time and place of the rescheduled meeting.

*As at the date of this notice, Mr. Chow Cheuk Hang and Ms. Wong Hei Man are executive Directors; Mr. Yeung Wai Hung, Peter, Mr. Lau Man Tak and Mr. Ma Stephen Tsz On are independent non-executive Directors.*