



Chinese Food And Beverage Group Limited
華人飲食集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

Stock Code: 8272



Third Quarterly Report

2020





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This report, for which the directors of Chinese Food and Beverage Group Limited (the "Company") (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.

This report will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and the Company's website at www.cfbgroup.com.hk.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The board of Directors (the “Board”) of the Company announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three and nine months ended 30 September 2020 together with the unaudited comparative figures for the corresponding period in 2019 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 30 September 2020

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
Revenue	3	2,392	3,466	12,102	14,580
Cost of Sales		(1,732)	(2,436)	(7,630)	(12,243)
Gross profit		660	1,030	4,472	2,337
Other operating income		629	302	1,462	828
Other gains and losses	4	8,613	5,611	8,613	3,632
Reversal of impairment losses	5	–	–	–	180
Selling and distribution expenses		(274)	(900)	(2,315)	(4,910)
Administrative and other operating expenses		(1,837)	(2,425)	(6,007)	(10,427)
Finance costs	6	(804)	(903)	(2,371)	(1,501)
Profit (loss) before tax		6,987	2,715	3,854	(9,861)
Income tax expense	7	–	–	–	–
Profit (loss) for the period		6,987	2,715	3,854	(9,861)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
Profit (loss) for the period attributable to:					
— Owners of the Company		7,100	2,939	3,672	(9,252)
— Non-controlling interests		(113)	(224)	182	(609)
		6,987	2,715	3,854	(9,861)
Earnings (loss) per share	9	HK cents	HK cents	HK cents	HK cents
— basic and diluted		8.96	0.13	4.63	(0.40)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2020

	Attributable to owners of the Company							Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Fair value through other comprehensive income reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non- Controlling interests HK\$'000	
At 1 January 2019 (audited)	63,403	497,676	-	(45,359)	(493,242)	22,478	(3,372)	19,106
Capital reorganisation	(62,610)	-	62,610	-	-	-	-	-
Cancellation of share premium and transfer to contributed surplus	-	(497,676)	497,676	-	-	-	-	-
Capital contributions from non-controlling interests of a subsidiary	-	-	-	-	-	-	10	10
Loss for the period	-	-	-	-	(9,252)	(9,252)	(609)	(9,861)
At 30 September 2019 (unaudited)	793	-	560,286	(45,359)	(502,494)	13,226	(3,971)	9,255
At 1 January 2020 (audited)	793	-	560,286	(59,598)	(504,325)	(2,844)	(4,349)	(7,193)
Disposal of non-controlling interests of a subsidiary	-	-	-	-	-	-	991	991
Profit for the period	-	-	-	-	3,672	3,672	182	3,854
At 30 September 2020 (unaudited)	793	-	560,286	(59,598)	(500,653)	828	(3,176)	(2,348)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and continues as an exempted company with limited liability in Bermuda upon the change of domicile of the Company from the Cayman Islands to Bermuda. Its shares are listed on GEM of the Exchange. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is Room 906, 9/F., Wings Building, No. 110–116 Queen's Road Central, Central, Hong Kong. The principal activity of the Company is investment holding and the principal activities of its subsidiaries are catering business and securities trading.

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), including applicable Hong Kong Accounting Standards ("HKASs") and Interpretations, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosures requirements of the GEM Listing Rules.

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values. Historical cost is generally based on the value of the consideration given in exchange for goods.

The condensed consolidated financial statements have been prepared in consistent with those principal accounting policies followed in the Annual Report 2019 except the adoption of the new and revised HKFRSs which are effective for accounting periods commencing on or after 1 January 2020.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

3. REVENUE

Revenue represents the turnover from catering business during the period.

An analysis of the Group's revenue for the period is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
Revenue from contracts with customers				
— Catering business	2,392	3,466	12,102	14,580
Timing of revenue recognition				
At a point in time	2,392	3,466	12,102	14,580

For catering business, revenue from restaurant operation is recognised at a point in time when the catering services is provided to customers. In general, payment of the transaction price is due immediately at the point the catering services is provided to customers. However, certain customers are granted credit period from 30 to 60 days.

4. OTHER GAINS AND LOSSES

	Three months ended 30 September		Nine months ended 30 September	
	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
(Loss) gain on written-off of plant and equipment	(379)	5,611	(379)	3,632
Gain on disposal of subsidiaries (note)	8,992	–	8,992	–
	8,613	5,611	8,613	3,632

Note: During the nine months ended 30 September 2020, the Company has disposed of several dormant subsidiaries (the "Disposal of Dormant Subsidiaries") at nominal consideration for the purpose of the simplification of the Group's structure, which led to a gain on disposal of subsidiaries of approximately HK\$8,992,000 as a result of derecognition of net liabilities recorded in these subsidiaries at the date of the Disposal of the Dormant Subsidiaries.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

5. REVERSAL OF IMPAIRMENT LOSSES

	Three months ended 30 September		Nine months ended 30 September	
	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
Reversal of impairment losses on:				
— Other receivables	–	–	–	180

6. FINANCE COSTS

	Three months ended 30 September		Nine months ended 30 September	
	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000	2020 (Unaudited) HK'000	2019 (Unaudited) HK'000
Interests on:				
— other borrowings	634	657	1,781	1,117
— lease liabilities/obligations under finance lease	170	246	537	384
— overdue payments	–	–	53	–
	804	903	2,371	1,501

7. INCOME TAX EXPENSE

The Company is an exempted company incorporated in the Cayman Islands and domiciled and continued in Bermuda, as such it is not liable for taxations in the Cayman Islands on its non-Cayman Islands income and in Bermuda on its non-Bermuda income.

No provision for Hong Kong Profits Tax or tax of other jurisdictions has been made as the Group did not have any assessable profit for the nine months ended 30 September 2020 and 30 September 2019.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

8. DIVIDEND

The Board does not recommend the payment of any dividend for the nine months ended 30 September 2020 (nine months ended 30 September 2019: Nil).

9. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	Three months ended 30 September		Nine months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Profits (loss) for the period attributable to owners of the Company for the purpose of basic and diluted earnings (loss) per share	7,100	2,939	3,672	(9,252)
	No. of shares '000	No. of shares '000	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for the purpose of basic and diluted earnings (loss) per share	79,254	2,332,332	79,254	2,332,332

The denominators used are the same as those detailed above for basic and diluted earnings (loss) per share.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

10. RELATED PARTY TRANSACTIONS

The Group had the following material transactions with related parties during the reporting period:

Name of related Company	Nature of transaction	30 September 2020 (Unaudited) HK\$'000	31 December 2019 (Audited) HK\$'000
REF Holdings Limited	Financial printing	275	–

- (a) Mr. Lau Man Tak is a controlling shareholder of REF Holdings Limited
- (b) The transactions were conducted at terms and conditions mutually agreed between the relevant parties. The Directors are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.



MANAGEMENT DISCUSSION AND ANALYSIS



BUSINESS AND FINANCIAL REVIEW

Revenue

During the nine months ended 30 September 2020 (the “Reporting Period”), the Group recorded revenue of approximately HK\$12,102,000 (nine months ended 30 September 2019: approximately HK\$14,580,000), representing a decrease of approximately 17% as compared with the last corresponding period.

Results for the Reporting Period

The Group recorded a profit of approximately HK\$3,854,000 for the Reporting Period, as compared with a loss of approximately HK\$9,861,000 of the last corresponding period.

During the Reporting Period, administrative and other operating expenses decreased from approximately HK\$10,427,000 to approximately HK\$6,007,000 due to cost saving measures among the Group; selling and distribution expenses decreased from approximately HK\$4,910,000 to approximately HK\$2,315,000 due to discontinuation of the operation in Fooklore; and mainly gain on disposal of subsidiaries increased approximately HK\$8,992,000.

Catering Business

The segmental revenue of the catering business for the Reporting Period was approximately HK\$12,102,000 (nine months ended 30 September 2019: approximately HK\$14,580,000), representing a decrease of approximately 17% as compared with the corresponding period. During the Reporting Period, the Group solely operate catering business namely, Real Stone Grills (堅石燒).

During the Reporting Period, the daily revenue of Real Stone Grills per seat averaged at HKD260. The Group recorded low level of daily revenue per seat due to the COVID-19 outbreak dealt a heavy blow to the economy, all those changing measures directly affected the performance of Real Stone Grills to decrease the average consumption during the Reporting Period. We may closely monitor the circumstances of COVID-19 in Hong Kong and work diligently to sustain in the hard time.

Since COVID-19 outbreak had been alarmed, our restaurant had been established the sterilization measures such as providing the hand sanitizer, body temperature measure at the entry, wearing face mask when entry of restaurant and, etc. to deduct the spread of infection.

During the Reporting Period, Real Stone Grills recorded revenue from catering business of approximately HK\$12,102,000 (nine months ended 30 September 2019: HK\$3,828,000).



MANAGEMENT DISCUSSION AND ANALYSIS

Securities Trading

There was no acquisition or disposal of any held-for-trading investments during the Reporting Period (nine months ended 30 September 2019: Nil).

OUTLOOK AND PROSPECT

The catering business in Hong Kong has been under an exceptionally adverse business environment since the pandemic of the COVID-19 in early 2020, the catering business in Hong Kong is still challenging in the rest of the year 2020 with adverse business environment in view of the latest development of the COVID-19, the Group will keep seeking the feasibility of strategies for Real Stone Grill to generate more revenue in this critical moment.

In view of the above, management is actively seeking for potential business opportunities in the catering and food processing industry, aiming at further substantiating its existing operations together with its expansion plan on its Korean restaurants. Management believes through the acquisition of potential the catering and food processing could generate growing and sustainable income source for the Group.

CAPITAL STRUCTURE

There was no change in the Company's capital structure during the Reporting Period.

As at 30 September 2020, the Company's issued share capital was HK\$792,540 (31 December 2019: HK\$792,540) and the number of its issued ordinary shares was 79,254,000 shares of HK\$0.01 each (31 December 2019: 79,254,000 shares of HK\$0.01 each).



MANAGEMENT DISCUSSION AND ANALYSIS



SIGNIFICANT INVESTMENTS

As at 30 September 2020, the Group held unlisted equity investment of 19% equity interests in Flame Soar Limited, a company incorporated in the British Virgin Island with limited liability. Details of such investment are set out below:

Name of investee company:	Flame Soar Limited (“Flame Soar”)
Principal businesses of the underlying company:	operating high-end Chinese restaurants serving high-quality Cantonese cuisine
Number of shares held:	19
Percentage of share capital owned by the Group:	19%
Investment cost:	HK\$33,209,000
Carrying amounts as at 1 January 2020 and 30 September 2020:	HK\$25,562,000
Change in fair value for the nine months ended 30 September 2020:	Nil
Dividend received for the nine months ended 30 September 2020:	Nil
Total asset ratio, express as the carrying amount of the investment to total assets of the Group at 30 September 2020:	61%

Pursuant to the unaudited consolidated management accounts of Flame Soar, it recorded revenue of approximately HK\$122 million and total comprehensive loss of approximately HK\$12 million. Flame Soar is facing challenging in its food and beverage business due to certain distance restrictions imposed by the Hong Kong Government as a result of the outbreak of COVID-19 in early 2020.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group holds the investment for capital appreciation and believes that the future prospect of Flame Soar is positive in view of its long established brand. There was no acquisition or disposal of the equity interest in Flame Soar during the period.

Save as disclosed above, there were no other significant investments held by the Group as at 30 September 2020.

PROFIT GUARANTEE

On 25 October 2018, Rich Paragon Limited (“Rich Paragon”), a wholly-owned subsidiary of the Company has entered into the shareholders’ agreement (the “Shareholders’ Agreement”) with the shareholders of Flame Soar.

In accordance with the Shareholders’ Agreement, Fortunate Soar Limited and its immediate holding company, namely Fook Lam Moon Holdings Limited (collectively, the “Guarantors”) severally and irrevocably guarantee to Rich Paragon that the audited EBITDA* of the restaurant operators (the “Restaurant Operators”) of Flame Soar for the guaranteed amount (the “Guaranteed Amount”) of HK\$49,693,319, HK\$51,184,119, HK\$52,719,642 and HK\$54,301,231 for the financial years (the “Financial Year(s)”) ending on 31 December 2018, 2019, 2020 and 2021, respectively (the “Profit Guarantee”). In case the Profit Guarantee is not met or satisfied in any one of the Financial Years, the Guarantors shall in respect of the Financial Year, jointly or severally pay to Rich Paragon a cash compensation (“Compensation”) in amount determined by applying the following formula:

Compensation = (Guaranteed Amount — audited EBITDA of the Restaurant Operators) x 19%

* EBITDA means, in respect of a Financial Year, the total operating profit (or, as the case may be, loss) of the Restaurant Operators for continuing operations before each of the following items: (i) interest; (ii) tax; (iii) depreciation of tangible assets; and (iv) amortisation of goodwill, general provision and other intangible assets

Pursuant to the audited EBITDA of the Restaurant Operators for the Financial Year 2018, the Profit Guarantee was not met and the Compensation of approximately HK\$751,000 based on the above formula was recognized during the year 2019. Since the audited financial statements of the Restaurant Operators for the Financial Year 2019 has not been prepared by the Restaurant Operators up to the date of this report, the Compensation, if any, for the Financial Year 2019 was uncertain.



MANAGEMENT DISCUSSION AND ANALYSIS

ADVANCE TO AN ENTITY

Advance to an entity in the amount of HK\$44,000,000

Details of advance to an entity in the amount of HK\$44,000,000 paid to Key Ally Limited were set out under the section of “Advance to An Entity” on pages 13 to 14 of the Company’s quarterly report for the three months ended 31 March 2014. The Directors considered that the likelihood of recovery of the outstanding principal and accrued interest amount was very remote and the impairment loss of other receivables of approximately HK\$28,225,000 was recognised during the eight months ended 31 December 2013. During the Reporting Period, the Group did not received any repayment from Key Ally Limited. The Group will proceed to recover the outstanding amount in reliance on legal advice from time to time.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has principally financed its operations by internal resources and other borrowings from financial institutions. The Reporting Period ended with the net current liabilities of approximately HK\$36,760,000 (31 December 2019: approximately HK\$42,643,000) which includes the bank balances and cash of approximately HK\$764,000 (31 December 2019: approximately HK\$1,966,000).

As at 30 September 2020, the Group had other borrowings amounted to approximately HK\$18,194,000 (31 December 2019: approximately HK\$14,505,000). The gearing ratio, computed as total liabilities to total assets, is 1.06 at the end of the Reporting Period (31 December 2019: 1.16).

CHARGE ON THE GROUP’S ASSETS

As at 30 September 2020, the Group did not have any charge on assets (31 December 2019: HK\$2,910,000).

CAPITAL COMMITMENTS

As at 30 September 2020, the Group did not have any capital commitment (31 December 2019: Nil).

CONTINGENT LIABILITIES

As at 30 September 2020, the Group did not have any material contingent liability (31 December 2019: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group had no material acquisitions or disposal of subsidiaries or associates of the Company during the Reporting Period.

OTHER INFORMATION



Litigations

Reference is made to the claim by Megamillion Asia Limited (“Megamillion”), an indirect wholly-owned subsidiary of the Company, against Cheong Tat International Development Limited (“Cheong Tat”) the particulars of which have been disclosed at pages 9 to 10 of the annual report of the Company for the financial year ended 30 April 2013. Megamillion had obtained judgment against Cheong Tat on (i) principal amount of the loan and interest accrued thereon (the “Loan Amount”), and (ii) the amount for redemption of the convertible bond (the “Redemption Amount”).

Cheong Tat and Megamillion entered into a deed of settlement dated 31 December 2013 (the “Deed of Settlement”) under and pursuant to which Cheong Tat transferred certain portfolio of shares in a Hong Kong listed company for full and final settlement of the Loan Amount.

Subject to legal advice and pending ascertainment that Cheong Tat has assets available for execution, Megamillion will proceed to recover the Redemption Amount.

On 20 April 2020, a statutory demand (the “Statutory Demand”) was served on the Company by the creditor (the “Creditor”) to demand the Company for payment in an aggregate amount of HK\$366,598.98 (the “Debt”). Details of the above can be found in the Company’s announcement dated 20 April 2020. The Company has settled the Debt in June and July 2020. On 7 August 2020, the Company has received a letter from the legal adviser of the Creditor and confirmed that the winding-up petition has been withdrawn.

Save as disclosed above, as at the date of this report, no member of the Group was engaged in any litigation or claim of material importance and, so far as the Directors are aware, no litigation or claim of material importance is pending or threatened against any member of the Group and that the Company will disclose any Megamillion’s recovery action and other litigation matters of material importance wherever appropriate or necessary.

Trading Suspension

Trading in the shares of the Company on the Exchange has been suspended with effect from 9:00 a.m. on Wednesday, 3 June 2020.

For details, please refer to the announcements of the Company dated 3 June 2020, 31 July 2020 and 14 September 2020.



OTHER INFORMATION



Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 30 September 2020, the interests and short positions of the Directors and the chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), as recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the Exchange pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions in the ordinary shares and underlying shares of HK\$0.01 each in the capital of the Company

Name of Director	Nature of interests/ holding capacity	Number of underlying Shares		Total number of Shares and underlying Shares	Approximate percentage of interests in the Company's issued share capital
Mr. Yeung Wai Hung, Peter	Personal	3,437	–	3,437	0.004%

Save as disclosed above, as at 30 September 2020, none of the Directors and the chief executive of the Company and their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of the SFO), as recorded in the register required to be kept under Section 352 of the SFO; or as notified to the Company and the Exchange pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules.

OTHER INFORMATION



Directors' and Chief Executive's Rights to Acquire Shares or Debentures

Save as disclosed under section "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation" above, as at 30 September 2020, neither the Company nor any of its subsidiaries was a party to any arrangements whose objects are, or one of whose objects is, to enable the Directors and the chief executive of the Company to acquire benefits by means of the acquisition of Shares in, or debt securities, including debentures, of the Company or any other body corporate, or there have, at any time during the nine months ended 30 September 2020, subsisted such arrangement(s) as aforesaid and none of the Directors and the chief executive of the Company or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights.

Substantial Shareholders and Other Persons with Interests and Short Positions in the Shares and Underlying Shares

As at 30 September 2020, so far as is known to the Directors, other than Directors and the chief executive of the Company, no other party held any interests or short positions (directly or indirectly) in the Company's Shares or underlying Shares as recorded in the register kept by the Company pursuant to Section 336 of the SFO.

Competing Interests

The Directors are not aware of any business or interest of the Directors, the substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the Reporting Period.

Purchase, Sale or Redemption of the Listed Securities of the Company

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Update on Directors' Information

Save as disclosed below, there is no change of the Directors' information pursuant to Rule 17.50A(1) of the GEM Listing Rules since the disclosure made in the Company's annual report 2019 or the announcement in relation to the appointment and/or resignation of the Directors.

- Mr. Eric Todd resigned as an executive director of Shi Shi Services Limited (stock code: 8181) with effect from 1 October 2020.



OTHER INFORMATION



Audit Committee

The Company established an audit committee (the “Audit Committee”) on 10 June 2003 with latest revised written terms of reference adopted on 31 December 2018 in compliance with the GEM Listing Rules. As at the date of this report, the Audit Committee had three members comprising all the three independent non-executive Directors; namely, Mr. Lau Man Tak, Mr. Yeung Wai Hung, Peter, and Mr. Ma Stephen Tsz On. The chairman of the Audit Committee is Mr. Lau Man Tak, who has appropriate professional qualifications and experience in accounting matters.

The unaudited quarterly results for the nine months ended 30 September 2020 have been reviewed by the members of the Audit Committee before recommending it to the Board for approval.

APPRECIATION

The Board would like to thank all business partners and shareholders of the Company for their continued support and confidence in our management and the Company. It is our vision to continue our Group’s corporate strategy to explore other industries with good business potential and growth prospects to gain attractive returns for our investors.

By Order of the Board
Chinese Food and Beverage Group Limited
Chow Cheuk Hang
Executive Director

Hong Kong, 10 November 2020

As at the date of this report, Mr. Chow Cheuk Hang and Mr. Eric Todd are executive Directors; Mr. Lau Man Tak, Mr. Yeung Wai Hung, Peter and Mr. Ma Stephen Tsz On are independent non-executive Directors.