
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of China Fortune Investments (Holding) Limited.

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

If you have sold all your shares in China Fortune Investments (Holding) Limited, you should at once hand this circular and the accompanied proxy form to the purchaser or to the licensed securities dealer, the bank or other agent through whom the sale was effected for transmission to the purchaser.



中國幸福投資(控股)有限公司 China Fortune Investments (Holding) Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8116)

APPOINTMENT OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting of the Company to be held at Portion 2, 12/F., The Center, 99 Queen's Road Central, Hong Kong on 28 January 2021 at 11:00 a.m., is set out on page 7 of this circular. Whether or not you propose to attend the meeting, you are advised to complete the form of proxy attached to the notice of the extraordinary general meeting in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

Please see page 1 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the EGM, including:

- compulsory body temperature checks and health declarations
- compulsory wearing of surgical face masks
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company encourages attendees to wear surgical face masks and reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

CHARACTERISTICS OF THE GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a high investment risk may be attached than other companies listed on the Stock 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.

TABLE OF CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE EGM	1
DEFINITIONS	2
LETTER FROM THE BOARD	4
NOTICE OF EXTRAORDINARY GENERAL MEETING	7

PRECAUTIONARY MEASURES FOR THE EGM

The health of the Shareholders, staff and stakeholders is of paramount importance to the Company. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the EGM to protect attending shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Each attendee must wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served or arranged to be taken away, and there will be no corporate gift.
- (iv) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the EGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

In the interest of all stakeholders' health and safety and in accordance with recent guidelines for prevention and control of the spread of COVID-19, the Company reminds all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the EGM instead of attending the EGM in person, by completing and returning the form of proxy attached to this circular.

If any Shareholder chooses not to attend the EGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong or to our email at info@cfihk.com.hk.

DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“2020 Audit”	the annual audit of the consolidated financial statements of the Company for the year ended 31 December 2020
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Company”	China Fortune Investments (Holding) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve the proposed appointment of Elite as auditor of the Company
“Elite”	Elite Partners CPA Limited
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HLM”	HLM CPA Limited
“Hong Kong”	Hong Kong Special Administration Region of The People’s Republic of China
“Latest Practicable Date”	7 January 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Resignation Letter”	the resignation letter of HLM to the Company

DEFINITIONS

“Share(s)”	share(s) of nominal value of HK\$0.005 each in the share capital of the Company
“Shareholders”	registered holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



中國幸福投資(控股)有限公司 China Fortune Investments (Holding) Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8116)

Executive Directors:

Cheng Wing Tsan (*Chairman*)
Zhou Dengchao
Pan Xuemei
Cheng Chun Tak
Stephen William Frostick
Wong Chi Ho

Non-executive Director:

Huang Shenglan

Independent non-executive Directors:

Chang Jun
Lee Chi Hwa Joshua
Xu Jingan
Chan Kim Fai
Chan Yuk Tong

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:*

Shop 212-213, 2/F,
Shun Tak Centre,
168-200 Connaught Road Central,
Sheung Wan,
Hong Kong

12 January 2021

To Shareholders

Dear Sir or Madam,

APPOINTMENT OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Company's announcement dated 7 January 2021 relating to the proposed appointment of Elite as the auditor of the Company. The purpose of this circular is to provide you with information on the said proposed appointment and to give you notice of the EGM at which an ordinary resolution will be proposed to consider and, if thought fit, approve the proposed appointment.

LETTER FROM THE BOARD

RESIGNATION OF AUDITOR

HLM resigned as auditor of the Company with effect from 7 January 2021. HLM stated in the Resignation Letter that the management of the Company could not agree with HLM's proposed audit fee for the 2020 Audit, HLM had not commenced any audit field work of the Group for the 2020 Audit and HLM wishes to draw the Company's attention to the qualified audit matters included in its independent auditor's report dated 31 March 2020 which was included in the Company's annual report for the year ended 31 December 2019.

Other than the matters mentioned above, there are no circumstances surrounding the resignation of auditor of which HLM believes the Company should be aware of and HLM has confirmed there are no matters in addition to the matters set out in the Resignation Letter that need to be brought to the attention of the holders of securities or creditors of the Company.

The Board and the Audit Committee confirmed that, save for the audit fee for the 2020 Audit, there is no disagreement between HLM and the Company and there is no other matter in respect of the resignation of HLM as the auditor of the Company that needs to be brought to the attention of the Shareholders.

The Board further confirmed that HLM has not yet commenced any audit field work of the Group for the 2020 Audit. It is expected that the proposed change of auditor will not have any significant impact on the 2020 Audit and the release of the annual results of the Company for the year ended 31 December 2020.

APPOINTMENT OF AUDITOR

The Board proposes, with the recommendation of the Audit Committee, to appoint Elite as new auditor of the Company to fill the casual vacancy following the resignation of HLM and shall hold office until the conclusion of next annual general meeting of the Company. Pursuant to the articles of association of the Company, the Board shall convene the EGM for approving Elite's appointment.

LETTER FROM THE BOARD

THE EGM

A notice convening the EGM is set out on page 7 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, you are advised to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. The completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

To the best of the Directors' information and belief, no Shareholder has an interest in the proposed appointment which is materially different from the other Shareholders. Therefore no Shareholder is required to abstain from voting on the resolution to be proposed at the EGM.

RECOMMENDATION

The Directors consider that the proposed appointment of Elite as auditor of the Company is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of the relevant resolution 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 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 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.

Yours faithfully,

On behalf of the Board

CHINA FORTUNE INVESTMENTS (HOLDING) LIMITED

Cheng Wing Tsan

Chairman

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

NOTICE OF EXTRAORDINARY GENERAL MEETING



中國幸福投資(控股)有限公司 China Fortune Investments (Holding) Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8116)

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of China Fortune Investments (Holding) Limited (the “**Company**”) will be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on 28 January 2021 at 11:00 a.m. to consider and, if thought fit, to pass with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“To appoint Elite Partners CPA Limited as auditor of the Company and to authorize the board of directors of the Company to determine the remuneration.”

By order of the Board
CHINA FORTUNE INVESTMENTS (HOLDING) LIMITED
Cheng Wing Tsan
Chairman

Hong Kong, 12 January 2021

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a person or if he is the holder of two or more shares, more than one person as his proxy or proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority, must be deposited at the Company’s share registrar, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting, and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting, and in such event the instrument appointing a proxy shall be deemed to be revoked.

As at the date of this notice, the Board comprises six executive Directors, namely Mr. Cheng Wing Tsan, Mr. Zhou Dengchao, Ms. Pan Xuemei, Mr. Cheng Chun Tak, Mr. Stephen William Frostick and Mr. Wong Chi Ho, one non-executive Director, namely Mr. Huang Shenglan and five independent non-executive Directors, namely Mr. Chang Jun, Mr. Lee Chi Hwa Joshua, Mr. Xu Jingan, Mr. Chan Kim Fai and Mr. Chan Yuk Tong.