THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **CBK Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

CBK Holdings Limited
國茂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8428)

(1) CONTINUING CONNECTED TRANSACTION REGARDING THE MANAGEMENT SERVICE AGREEMENT AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Lego Corporate Finance Limited
力高企業融資有限公司

Capitalised terms used in this cover page and the inside cover page of this circular shall have the same respective meanings as those defined in the section headed "DEFINITIONS" of this circular.

A letter from the Board is set out on pages 6 to 15 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 16 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Management Service Agreement is set out on pages 17 to 29 of this circular.

A notice convening the EGM to be held at Room 1501, 15/F., Vanta Industrial Centre, 21–33 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong on Friday, 7 August 2020 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular.

A form of proxy for use in connection with the EGM is enclosed with this circular. Such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cbk.com.hk). If you are not able or do not intend to attend the EGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's Hong Kong branch share registrar and transfer office, 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 but in any event, not later than 48 hours before the time appointed for holding the EGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or its adjournment if you so wish. If you attend and vote at the EGM, the instrument appointing your proxy shall be deemed to have been revoked.

This circular together with the form of proxy will remain on the "Latest Listed Company Information" page of the GEM website (www.hkgem.com) for at least 7 days from the date of publication and on the website of the Company (www.cbk.com.hk).

10 July 2020

CHARACTERISTICS OF GEM

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 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.

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NOTICE OF EGM EGM-1

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

"Agreement to act in concert"	an agreement signed by Mr. Wu, Ms. Yu, Mr. Wang, Ms. Zhang Pin Fang* (張品芳女士), Mr. Chen Na Ji (陳迺積先生), Mr. Yang Ya Ping* (楊亞平先生), Mr. Wu Guo Fang* (吳國方先生), Mr. Gu Jian Ming* (顧建明先生), Ms. Wu Xue Qin* (吳雪琴女士), Ms. Wang Ben Ling* (王本玲女士), Mr. Hong Wei* (洪偉先生), Mr. Ge Jin* (葛瑾先生) and Mr. Yang Feng* (楊奉先生) which delegated the ultimate decision making to Mr. Wu, who can exercise a voting power representing 70% of the issued shares of SH ShunFeng
"Announcement"	the announcement issued by the Company dated 29 April 2020 relating to the Management Service Agreement and the transactions contemplated thereunder
"Articles"	the articles and association of the Company
"associates"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of Directors
"Business Day"	a day on which banks in Hong Kong are generally open for normal banking business which is not a Saturday, Sunday or public holiday in Hong Kong
"China F&B"	China F&B Venture Investments* (華穗食品創業投資企業), a company established in the PRC with limited liability and owned as to 42.98% by Greater China F&B, 27.98% by Zhengzhou President, 19.87% by Chengdu President, 8.11% by UOBVM and 1.05% by Greater China F&B Capital
"Chengdu President"	Chengdu President Enterprises Co., Ltd.* (成都統一企業有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of Uni-President and principally engaged in the manufacturing and sale of beverages and instant noodles in the PRC
"Company"	CBK Holdings Limited (stock code: 8428), a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the GEM
"connected person(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Director(s)"	director(s) of the Company

"EGM"	an extraordinary general meeting of the Company to be convened and held on Friday, 7 August 2020 at 10:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the Management Service Agreement and the transactions contemplated thereunder
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	The Rules Governing the Listing of Securities on GEM, as amended, modified, and supplemented from time to time
"Greater China F&B"	Greater China F&B (Hong Kong) Private Limited, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of Greater China F&B Investment Holding Ltd., an exempted company incorporated in the Cayman Islands with limited liability
"Greater China F&B Capital"	Greater China F&B Capital Partners Ltd., a company incorporated in the Cayman Islands and is principally engaged in investment management
"Group", "we", "us", "our"	the Company and its subsidiaries
"HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent board committee, comprising all of the independent non-executive Directors of the Company, namely Mr. Chan Hoi Kuen Matthew, Mr. Chung Wing Yin, Mr. Law Yui Lun and Mr. Lu Jun Bo, formed to advise the Independent Shareholders in respect of, amongst others, the Management Service Agreement and the proposed annual caps
"Independent Shareholders"	Shareholders other than Mr. Zhang and its associates
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are independent of and not connected with (within the meaning of the GEM Listing Rules) our Company, its subsidiaries or any of their respective associates

"Latest Practicable Date"	6 July 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Lego Corporate Finance Limited" or "Independent Financial Adviser"	Lego Corporate Finance Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Management Service Agreement and the proposed annual caps
"Management Service Agreement"	the management service agreement dated 29 April 2020 entered into between the Company and SH ShunFeng in relation to the provision of catering supervision, guidance and management services by the Group to the Target Restaurants
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Companies
"Mr. Chan"	Mr. Chan Lap Ping, being one of our executive Directors
"Mr. Hui"	Mr. Hui Chun Wah, being one of our controlling Shareholders
"Mr. Kwok"	Mr. Kwok Yiu Chung, being our chief executive officer, one of our controlling Shareholders and the spouse of Ms. Wong
"Mr. Wang"	Mr. Wang Xin Min* (王新民先生), being a shareholder, the general manager of SH ShunFeng, an uncle of Mr. Zhang, a brother-in-law of Mr. Wu and Ms. Yu
"Mr. Wu"	Mr. Wu Zhi Liang* (吳稚亮先生), being a shareholder, the legal representative, a director and the chairman of SH ShunFeng, an uncle of Mr. Zhang, the spouse of Ms. Yu and a brother-in-law of Mr. Wang
"Mr. Zhang"	Mr. Zhang Chi, being one of our executive Directors and a Shareholder, a nephew of Mr. Wu, Ms. Yu and Mr. Wang
"Ms. Wong"	Ms. Wong Wai Fong, being one of our executive Directors, one of our controlling Shareholders and the spouse of Mr. Kwok
"Ms. Yang"	Ms. Yang Dongxiang, being one of our controlling Shareholders and the spouse of Mr. Chan

"Ms. Yu"	Ms. Yu Ling Zhu* (俞玲珠女士), being a shareholder, a director of SH ShunFeng, an aunt of Mr. Zhang, the spouse of Mr. Wu and a sister-in-law of Mr. Wang
"NEEQ"	the National Equities Exchange and Quotations, a national securities trading market in the PRC for trading the shares of public companies that are not listed on either the Shenzhen or Shanghai stock exchange
"PRC"	the People's Republic of China, but for the purpose of this circular only, unless otherwise indicated, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"SH ShunFeng"	Shanghai ShunFeng Restaurant Group Company Limited* (上海順風餐飲集團股份有限公司), a company established in the PRC with limited liability on 27 November 2008, whose 70% of issued shares are indirectly controlled by Mr. Wu under the Agreement to act in concert
"Share(s)"	ordinary share(s) with a nominal value of HK$0.01 each in the share capital of the Company
"Shareholders"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sure Wonder"	Sure Wonder Investments Limited (定妙投資有限公司), a company incorporated in the British Virgin Islands, with limited liability on 4 July 2016 and owned as to 83.4%, 9.3%, 1.8% and 5.5% by Ms. Wong, Mr. Kwok, Ms. Yang and Mr. Hui, respectively
"Target Restaurants"	15 restaurants currently operated by SH ShunFeng in Shanghai, the PRC, which are subject to additions or subtractions by SH ShunFeng with prior notification to the Group

"Uni-President"	Uni-President China Holdings Limited (統一企業中國控股有限公司), a company incorporated in the Cayman Islands on 4 July 2007 as an exempted company with limited liability, whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 220). The company and its subsidiaries are principally engaged in the manufacturing and sale of beverages and instant noodles in the PRC
"UOBVM"	UOB Venture Management (Shanghai) Co., Ltd.* (優歐弼投資管理（上海）有限公司), a company established in the PRC with limited liability and is wholly-owned by UOB Asset Management which is principally engaged in the asset management in Asia
"Zhengzhou President"	Zhengzhou President Enterprises Co., Ltd.* (鄭州統一企業有限公司), a company established in the PRC with limited liability and is a wholly-owned subsidiary of Uni-President and principally engaged in the manufacturing and sale of beverages and instant noodles in the PRC
"%"	percent.

* *For identification purpose only*

CBK Holdings Limited
國茂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8428)

Executive Directors:
Ms. Wong Wai Fong *(Chairman)*
Mr. Chan Lap Ping
Mr. Zhang Chi

Non-executive Director:
Mr. Wu Jing Xie

Independent non-executive Directors:
Mr. Chan Hoi Kuen Matthew
Mr. Chung Wing Yin
Mr. Law Yui Lun
Mr. Lu Jun Bo

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 1501, 15/F.
Vanta Industrial Centre
21–33 Tai Lin Pai Road
Kwai Chung
New Territories, Hong Kong

10 July 2020

To the Shareholders

Dear Sir or Madam,

(1) CONTINUING CONNECTED TRANSACTION REGARDING THE MANAGEMENT SERVICE AGREEMENT AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement in which the Board announced that on 29 April 2020 (after trading hours), the Company entered into the Management Service Agreement with SH ShunFeng for the provision of catering supervision, guidance and management services to the Target Restaurants for a term of commencing from 1 May 2020 and expiring on 31 March 2023 (both date inclusive).

The purpose of this circular is to provide you with, among other things, (i) further information in relation to the Management Service Agreement; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Management Service Agreement; (iii) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Management Service Agreement; (iv) other information as required under the GEM Listing Rules; and (v) the notice convening the EGM.

THE CONTINUING CONNECTED TRANSACTION: MANAGEMENT SERVICE AGREEMENT

As disclosed in the Announcement, the salient terms of the Management Service Agreement are as follows:

Date	:	29 April 2020
Parties	:	(i) SH ShunFeng (as the principal); and (ii) the Company (as the manager)
Term	:	The Management Service Agreement will be effective from 1 May 2020 and up to 31 March 2023 (both dates inclusive), subject to the approval from the Independent Shareholders.
Nature of the transactions	:	Pursuant to the terms of the Management Service Agreement, SH ShunFeng as the principal appointed the Company as the manager to provide catering supervision, guidance and management services to the Target Restaurants.
Pricing Policy	:	The management services fee under the Management Services Agreement was made reference to the percentages charged on turnover adopted by Independent Third Parties for the provision of similar management service such as improvement of quality of services, procurements, menu design, food safety, hygiene and environmental improvement, handling customers' complaints and satisfaction, in the market. After the arm's length negotiations and agreed between the parties, the management services fees payable by SH ShunFeng to the Group shall be determined on the basis of 6% on the turnover of the Target Restaurants. The service fees of 6% on the turnover of the Target Restaurants was determined after having compared agreements of other catering management service providers obtained by business partners of a director in previous engagements for similar services in the PRC which applied charging rates from 6% to 7% on turnover of the restaurants. Having considered the above, the Directors (including the independent non-executive Director) consider that the charging of 6% on the turnover is on normal commercial terms, not less favourable than those offered by Independent Third Parties and not prejudicial to the interests of the Company and its minority shareholders.

Settlement terms : Payments of the transactions will be settled quarterly by cash transfer within 15 Business Days after the end of each calendar quarter.

PROPOSED ANNUAL CAPS

The Directors propose the annual caps for the transactions contemplated under the Management Service Agreement for the three years ending 31 March 2021, 2022 and 2023 to be as follows:

	For the year ending 31 March		
	2021	**2022**	**2023**
	'000	*'000*	*'000*
Annual caps			
RMB	42,000	45,000	47,000
Equivalent to HKD *(at an exchange rate of 1.12)*	47,040	50,400	52,640

Basis of the annual caps

The above annual caps are determined with reference to the annual estimated management service fees payable by SH ShunFeng to the Company pursuant to the Management Service Agreement. The annual estimated transaction amounts for the Management Service Agreement for the three years ending 31 March 2023 are determined after having considered, among others, (i) the expected total revenue of the Target Restaurants; and (ii) the expected inflation in the PRC for the three years ending 31 March 2023. The table below sets forth the historical revenue of the Target Restaurants for the year ended 31 December 2019 and the expected total revenue of the Target Restaurants for the three years ending 31 March 2023 after the taking into consideration the expected inflation of 6% in the PRC:

	For the year ended 31 December	For the year ending 31 March		
	2019	**2021**	**2022**	**2023**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(actual)	*(expected)*	*(expected)*	*(expected)*
Revenue of the Target Restaurants	655,100	694,400	736,000	780,200

The expected annual revenue for each of the year ending 31 March 2023 was calculated by multiplying the average monthly turnover of the Target Restaurants for the year ended 31 December 2019 by 12 and expected inflation of 6% in the PRC.

The expected inflation of 6.0 % per annum that affects the price of management services fee is made reference to the 2019 Consumer Price Index on Food, Tobacco and Liquor of 7.0% published in the website of the National Bureau of Statistics of China. The Directors believes the source of the expected inflation rate is reliable and the expected inflation of 6.0% per annum is reasonable.

The Directors (including the independent non-executive Directors) considers the annual caps for the Management Service Agreement are fair and reasonable and in the interest of the Group and the Shareholders as a whole.

CONDITIONS

The Management Service Agreement is conditional upon the resolution regarding the Management Service Agreement (including the annual caps) and the transactions contemplated thereunder being approved by the Independent Shareholders at the forthcoming EGM.

REASONS FOR THE MANAGEMENT SERVICE AGREEMENT

The Group is principally engaged in the provision of food catering services through a chain of hotpot specialty restaurants in Hong Kong. The social unrest in Hong Kong since June 2019 has weakened consumer sentiment and affected the economy and the food and beverage market in Hong Kong. For the year ended 31 March 2020, the Group recorded a turnover of approximately HK$43.0 million, representing a decrease of approximately HK$49.1 million from approximately HK$92.1 million for the year ended 31 March 2019. Loss for the year ended 31 March 2020 was approximately HK$32.9 million, representing an increase of approximately HK$12.3 million from approximately HK$20.6 million for the year ended 31 March 2019. The decrease in turnover was mainly due to the closure of restaurants located at Wan Chai, Causeway Bay, Kwai Chung and Prince Edwards in June 2018, February 2019, May 2019 and May 2019, respectively.

After the outbreak of novel coronavirus (the "**outbreak**") since January 2020, the catering business in Hong Kong was greatly affected since people traffic decreased under the social distancing measures implemented by the Hong Kong Government. Restaurants principally engaged in the provision of wedding banquet, buffet and hotpot, were mostly affected under the outbreak. Moreover, cases were diagnosed with the infection of novel coronavirus when having hotpot further discouraging the public to consider hotpot as a choice for social gathering. As such, it is foreseeable that the hotpot catering business would be languished for a period of time though the outbreak is waned.

The Board (including the independent non-executive Directors) considers that the entering and performance of Management Service Agreement would enable the Group to acquire further knowledge of the catering business in PRC which, if the Group, is able to apply properly, would provide an opportunity for the Group to expand the operations and develop a catering business in the PRC to diversify the Group's existing operations and to stimulate the business growth and return of the Company.

According to "2019 China's Catering Industry Annual Report" (2019中國餐飲業年度報告) issued by the China Hospitality Association (中國飯店協會), the annual turnover of catering business in the PRC amounted to approximately RMB4,271.6 billion. The annual turnover of China's hotpot industry amounted to approximately RMB875.7 billion in 2018, representing an increase of 52% when compared to 2014 and was expected to achieve approximately RMB960.0 billion in 2019. It would also provide the Group a chance to lay a solid foundation for entering the catering business sector in the PRC, including but not limited to hotpot catering, through such strategic cooperation with SH ShunFeng.

Currently, the Group has no plan to scale down its hotpot catering business in Hong Kong. However, the management adopts a wait-and-see approach to observe the economic recovery of Hong Kong. The management may consider to further develop the hotpot catering business in Hong Kong only if the operating environment improves. With the combination of our experienced management team and the potential hotpot industry market in the PRC, the Directors are of the view that the entering into of the Management Service Agreement can also provide the Group with a chance to develop the hotpot catering business in the PRC upon the building of solid foundation and to diversify the business risk of the Group in term of geographical locations.

Taking into account the whole circumstances, the Board (excluding the independent non-executive Directors who will opine after considering the opinion of the Independent Financial Advisers) believes that the terms of the transaction are fair and reasonable and in the interests of the shareholders as a whole.

The Company will provide supervision, guidance and management services to SH ShunFeng, including but not limited to, in the areas of environmental, workplace and hygienic management where the Company will implement internationally accepted standards to the operations of SH ShunFeng to uplift the standard of services providing to customers. SH ShunFeng can be benefited in maintaining its competitiveness and strengthened its position in the catering business in Shanghai, the PRC.

The provision of supervision, guidance and management services to SH ShungFeng will be carried out by a management team under the supervision of Mr. Zhang, an executive Director and Mr. Kwok, the Chief Executive Officer of the Company.

Mr. Zhang has over 15 years of experience in the restaurant and catering industry in China and held managerial positions with large scale catering enterprises in the PRC in which he was responsible for procurement, general operations and management.

Mr. Kwok has over 20 years of experience in restaurant business in Hong Kong and held managerial positions with various restaurants responsible for general operations and management of the restaurants.

INFORMATION OF THE PARTIES

Information on the Group

The Group is principally engaged in the provision of food catering services through a chain of hotpot specialty restaurants in Hong Kong.

Information on SH ShunFeng

SH ShunFeng is a company incorporated in the PRC and principally engaged in the provision of Chinese cuisine catering service through the chain of stores and hotels directly operated by SH ShunFeng in the PRC.

The issued shares of SH ShunFeng were listed on NEEQ (under the stock code: 870798) in March 2017. According to the financial information disclosed in the disclosure information platform designated by the NEEQ, SH ShunFeng recorded a turnover of approximately RMB1.2 billion for the year ended 31 December 2018 and the net profit for the year amounted to approximately RMB80.2 million.

As at the Latest Practicable Date, SH ShunFeng operates over 30 chain stores and hotels in Shanghai, the PRC. The issued shares of SH ShunFeng were voluntarily delisted from the NEEQ in May 2019 since the nature of the NEEQ and its low trading volume made it difficult for SH ShunFeng to identify and establish its fair value and to reflect the competitive strengths which differentiate SH ShunFeng from its competitors.

An Agreement to act in concert is signed by Mr. Wu, Ms. Yu, Mr. Wang, Ms. Zhang Pin Fang, Mr. Chen Na Ji, Mr. Yang Ya Ping, Mr. Wu Guo Fang, Mr. Gu Jian Ming, Ms. Wu Xue Qin, Ms. Wang Ben Ling, Mr. Hong Wei, Mr. Ge Jin and Mr. Yang Feng which delegated the ultimate decision making to Mr. Wu, who can exercise a voting power representing 70% of the issued shares of SH ShunFeng. Mr. Yang Ya Ping and Mr. Wu Guo Fang are staff of SH ShunFeng. Ms. Zhang Pin Fang, Mr. Chen Na Ji, Mr. Gu Jian Ming, Ms. Wu Xue Qin, Ms. Wang Ben Ling, Mr. Hong Wei, Mr. Ge Jin and Mr. Yang Feng are investors.

The remaining 30% of the issued shares of SH ShunFeng are held by China F&B which is directly owned as to 42.98% by Greater China F&B, 27.98% by Zhengzhou President, 19.87% by Chengdu President, 8.11% by UOBVM and 1.05% by Greater China F&B Capital. China F&B is a company established in the PRC with limited liability on 13 April 2009 and principally engaged in investment management. To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the ultimate holding company of China F&B is Uni-President Enterprises Corporation (統一企業股份有限公司) ("**Uni-President Enterprises**") (stock code: 1216), a company incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China, whose issued shares are listed on the Taiwan Stock Exchange Corporation. Uni-President Enterprises is principally engaged in the manufacture, processing, and sales of various soft drinks, food, animal feeds and flour.

Save as disclosed above, to the best knowledge of the Directors, each of the individuals mentioned above and China F&B, except for Mr. Wu, Ms. Yu and Mr. Wang, are parties independent of the Company and its connected persons.

GEM LISTING RULES IMPLICATION

Mr. Wu through the Agreement to act in concert indirectly controls the voting power of 70% of SH ShunFeng and is an uncle of Mr. Zhang, who is an executive director of the Company. Therefore, Mr. Wu and SH ShunFeng are associates of Mr. Zhang and hence are connected persons of the Company. The transactions contemplated under the Management Service Agreement therefore constitute continuing connected transactions for the Group under Chapter 20 of the GEM Listing Rules.

As the proposed annual caps in respect of the Management Service Agreement for each of the three years ending 31 March 2023 is more than HK$10,000,000, and at least one of the applicable ratios calculated thereof is more than 5%, the transactions contemplated under the Management Service Agreement constitute continuing connected transactions. Such continuing connected transactions and proposed annual caps are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

INTERNAL CONTROL PROCEDURES

(1) We will carry out a quarterly review on the turnover of the Target Restaurants by obtaining financial statements provided from SH ShunFeng. Based on the turnover of Target Restaurants, we will be able to ensure that the management service fees to be paid by SH ShunFeng to the Group is in accordance with the Management Service Agreement.

(2) The relevant personnel of the Group will keep track of the aggregate amount of the management service fee receivable/received by the Group from SH ShunFeng for the provision of catering supervision, guidance and management services under the Management Service Agreement on a quarterly basis and report to the Board for the purpose of ensuring that the annual caps thereunder will not be exceeded.

(3) The Company has adopted relevant reporting and record-keeping procedures to allow independent non-executive Directors and independent auditors of the Company to perform annual review of the management service fees receivable under the Management Service Agreement.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Chan Hoi Kuen Matthew, Mr. Chung Wing Yin, Mr. Law Yui Lun and Mr. Lu Jun Bo, has been established to advise the Independent Shareholders, in respect of the transactions under the Management Service Agreement and the proposed annual caps therein.

No member of the Independent Board Committee has any interest in the Management Service Agreement. A letter from the Independent Board Committee is set out on page 16 of this circular.

Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the transactions under the Management Service Agreement and the proposed annual caps. A letter from the Independent Financial Adviser is set out on pages 17 to 29 of this circular.

EGM

Set out on pages EGM-1 to EGM-2 of this circular is a notice convening the EGM to consider and, if appropriate, to approve the ordinary resolution relating to the Management Service Agreement.

A form of proxy for use in connection with the EGM is enclosed with this circular and can also be downloaded from the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cbk.com.hk). If you are not able or do not intend to attend the EGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's Hong Kong branch share registrar and transfer office, 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 later than 48 hours before the time appointed for holding the EGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the EGM or its adjournment he/she/it so wish. If the Shareholder attends and votes at the EGM, the instrument appointing the proxy will be deemed to have been revoked.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolution to be proposed at the EGM and contained in the notice of the EGM will be voted by way of a poll by the Shareholders.

According to Rule 2.26 of the GEM Listing Rules, any shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the general meeting. As at the Latest Practicable Date, 1,200,000,000 Shares were in issue, among which, Mr. Zhang was beneficially interested in 15,696,000 Shares, representing approximately 1.31% of the total number of issued Shares.

Pursuant to Rule 2.27 and Rule 20.19 of the GEM Listing Rules, Mr. Zhang is deemed to have a material interest in the transactions under the Management Service Agreement for being an associate to Mr. Wu and SH ShunFeng the party to the said agreement. Therefore, Mr. Zhang is required to abstain from voting in respect of the proposed resolution approving the Management Service Agreement and the transactions contemplated thereunder at the EGM.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, there was (i) no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date whereby such Shareholder has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her/its Shares to a third party, either generally or on a case-by-case basis. Accordingly, to the best knowledge, information and belief of the Directors, as at the Latest Practicable Date, there existed no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM in respect of the resolutions approving the Management Service Agreement and the transactions contemplated thereunder.

Save as disclosed, no other person who is a Shareholder is required to abstain from voting for the relevant resolutions at the EGM due to their interests in the Management Service Agreement.

RECOMMENDATION

As Mr. Zhang, who is an executive Director of the Company, is a nephew of Mr. Wu, Ms. Yu and Mr. Wang, he is considered to have material interest in the Management Service Agreement. He has abstained from voting on the relevant resolution passed by the Board for approving the Management Service Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has material interest in, or is required to abstain from voting on, the Board resolution in relation to the Management Service Agreement and the transactions contemplated thereunder.

The Board (including the Independent Board Committee), having taken into account the advice from the Independent Financial Adviser, but excluding the interested Director Mr. Zhang, is of the view that Management Service Agreement and the proposed annual caps are fair and reasonable and on normal commercial terms or better in the ordinary course of business and considers that the Management Service Agreement and the proposed annual caps are in the interests of the Company and the Shareholders as a whole and accordingly recommend the Independent Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the EGM as set out in the notice of the EGM on page EGM-1 to EGM-2 of this circular.

GENERAL

Your attention is drawn to the letter of advice from the Independent Financial Adviser as set out on pages 17 to 29 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in connection with the transactions under the Management Service Agreement and the proposed annual caps and the letter from the Independent Board Committee set out on page 16 of this circular which contains its recommendation to the Independent Shareholders in relation to the transaction under the Management Service Agreement and the proposed annual caps.

Your attention is also drawn to the additional information set out in the appendix to this circular.

MISCELLANEOUS

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

Yours faithfully,
For and on behalf of the Board
CBK Holdings Limited
Wong Wai Fong
Chairman and Executive Director

CBK Holdings Limited
國茂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8428)

10 July 2020

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION REGARDING MANAGEMENT SERVICE AGREEMENT

We refer to the circular (the "**Circular**") of CBK Holdings Limited (the "**Company**") dated 10 July 2020 of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the terms of the Management Service Agreement and the transactions contemplated thereunder as well as the proposed annual caps, details of which are set out in the "Letter from the Board" contained in the Circular, are fair and reasonable, whether they are on normal commercial terms or better and in the ordinary and usual course of business of the Group, and whether they are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

Having taken into account the terms of the Management Services Agreement, the advice of and the principal factors and reasons considered by Independent Financial Adviser in relation thereto as set out on pages 17 to 29 of the Circular, we consider the terms of the Management Service Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and are in the interests of the Company and the Shareholders as a whole, and the transactions contemplated thereunder are in the ordinary and usual course of business of the Company. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Management Service Agreement and the proposed annual caps.

Yours faithfully,
For and on behalf of Independent Board Committee

Mr. Chan Hoi Kuen Matthew	**Mr. Chung Wing Yin**	**Mr. Law Yui Lun**	**Mr. Lu Jun Bo**
Independent Non-Executive Director	*Independent Non-Executive Director*	*Independent Non-Executive Director*	*Independent Non-Executive Director*

The following is the full text of a letter of advice from Lego Corporate Finance Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation in this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Management Service Agreement and the Annual Caps.

Lego Corporate Finance Limited
力高企業融資有限公司

10 July 2020

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION REGARDING THE MANAGEMENT SERVICE AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Management Service Agreement and the transactions contemplated thereunder together with the respective proposed annual caps (the "**Annual Caps**"), details of which are set out in the "Letter from the Board" (the "**Letter**") contained in the circular issued by the Company to the Shareholders dated 10 July 2020 (the "**Circular**"), of which this letter forms apart. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 29 April 2020 (after trading hours), the Company entered into the Management Service Agreement with SH ShunFeng for the provision of catering supervision, guidance and management services to the Target Restaurants for a term commencing from 1 May 2020 and expiring on 31 March 2023 (both dates inclusive).

Mr. Wu through the Agreement to act in concert indirectly controls the voting power of 70% of SH ShunFeng and is an uncle of Mr. Zhang, who is an executive director of the Company. Therefore, Mr. Wu and SH ShunFeng are associates of Mr. Zhang and hence are connected persons of the Company. The transactions contemplated under the Management Service Agreement therefore constitute continuing connected transactions for the Group under Chapter 20 of the GEM Listing Rules.

As the proposed annual caps in respect of the Management Service Agreement for each of the three years ending 31 March 2023 is more than HK$10,000,000, and at least one of the applicable ratios calculated thereof is more than 5%, the transactions contemplated under the Management Service Agreement constitute continuing connected transactions. Such continuing connected transaction and proposed annual caps are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

As Mr. Zhang, who is an executive Director of the Company, is a nephew of Mr. Wu, Ms. Yu and Mr. Wang, he is considered to have material interest in the Management Service Agreement. He has abstained from voting on the relevant resolution passed by the Board for approving the Management Service Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has material interest in, or is required to abstain from voting on, the Board resolution in relation to the Management Service Agreement and the transactions contemplated thereunder.

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Chan Hoi Kuen Matthew, Mr. Chung Wing Yin, Mr. Law Yui Lun and Mr. Lu Jun Bo, has been established to advise the Independent Shareholders, in respect of the transactions under the Management Service Agreement and the Annual Caps therein. As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in such regard.

As at the Latest Practicable Date, Lego Corporate Finance Limited did not have any relationships or interests with the Company, SH ShunFeng or any other parties that could reasonably be regarded as relevant to the independence of Lego Corporate Finance Limited. In the last two years, there was no engagement between the Group and Lego Corporate Finance Limited. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Company and SH ShunFeng. Accordingly, we are qualified to give independent advice in respect of the terms of the Management Service Agreement and the Annual Caps.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the management of the Group; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us by the Directors and/or the management of the Group for which they are solely and wholly responsible for, or contained or referred to in the Circular were true, accurate and complete in all respects as the date hereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the date thereof and may relied upon. We have also assumed that all such statements of belief, opinions and intentions of the management of the Group and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors, management of the Group and/or the advisers of the Group. We have also sought and received confirmation from the management of the Group that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the management of the Group are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the EGM.

We consider that we have reviewed relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors or management of the Group or SH ShunFeng, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group, SH ShunFeng, and any of their respective subsidiaries and associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have considered the following principal factors and reasons:

1. Background of the Group, SH ShunFeng and the Management Service Agreement

Information on the Group

The Group is principally engaged in the provision of food catering services through a chain of hotpot specialty restaurants in Hong Kong.

According to the annual reports of the Group and the information provided by its management, the number of restaurants of the Group is summarised as follows:

	For the years ended 31 March			
	2017	**2018**	**2019**	**2020**
Beginning of the year	11	9	10	7
Opening	—	1	—	—
Closures	(2)	—	(3)	(5)
End of the year	9	10	7	2

As represented by the management of the Company, the closures of the restaurants were mainly due to the unsatisfactory performance and the significant overhead and the operating expenses.

Financial information of the Group

The following table summarises the financial information of the Group for the years ended 31 March 2018, 2019 and 2020 as extracted from the annual reports of the Company for the year ended 31 March 2019 (the "**2019 Annual Report**") and for the year ended 31 March 2020 (the "**2020 Annual Report**"), respectively.

	For the year ended 31 March			Year-on-year change	
	2018	2019	2020	2018–2019	2019–2020
	HK$'000	*HK$'000*	*HK$'000*	*(%)*	*(%)*
	(Audited)	(Audited)	(Audited)		
Revenue	122,653	92,099	43,024	-24.9	-53.3
Gross profit	70,823	56,608	24,008	-20.0	-57.6
Gross profit margin	57.7%	61.5%	55.8%	6.6	-9.3
Loss and total comprehensive loss for the year attributable to owners of the Company	(9,746)	(20,561)	(32,883)	111.0	59.9

For the years ended 31 March 2018 and 2019

As illustrated in the table above, total revenue of the Group amounted to approximately HK$92.1 million for the year ended 31 March 2019, representing a decrease of approximately 24.9% as compared to that of approximately HK$122.7 million for the year ended 31 March 2018. According to the 2019 Annual Report, the decrease in total revenue was mainly due to (i) the decrease in number of customer visits of the Group's existing restaurants as primarily affected by the sluggish economy and the intense competition of the catering market; (ii) the renovations of three restaurants of the Group which led to a temporary suspension of business for one to two months during the year; and (iii) the closures of two restaurants in April 2018 and June 2018, respectively. The effect was partially offset by the increase in revenue reflecting full year result of Yau Tsim Mong restaurant which commenced its operation in September 2017.

The Group's gross profit decreased from approximately HK$70.8 million for the year ended 31 March 2018 to approximately HK$56.6 million for the year ended 31 March 2019, representing a decrease of approximately 20.0%, while the Group's gross profit margin increased to approximately 61.5% for the year ended 31 March 2019 from approximately 57.7% for the year ended 31 March 2018. The increase in gross profit margin was mainly due to the changes in promotional campaigns which had a lesser impact on gross profit margin as compared to the previous promotional campaigns held by the Group during the year ended 31 March 2018.

In addition, loss and total comprehensive loss attributable to Shareholders increased from approximately HK$9.7 million for the year ended 31 March 2018 to approximately HK20.6 million for the year ended 31 March 2019, which was mainly due to primarily attributable to (i) the decrease in revenue; and (ii) the similar level of property rentals and related expenses and administrative expenses for the year ended 31 March 2019 even though the revenue has dropped significantly. Such decrease was partially offset by the decrease in staff costs and fuel and utility expenses as a result of the closures of two restaurants as discussed above.

For the years ended 31 March 2019 and 2020

The total revenue of the Group amounted to approximately HK$43.0 million for the year ended 31 March 2020, representing a decrease of approximately 53.3% as compared to that of approximately HK$92.1 million for the year ended 31 March 2019. According to the 2020 Annual Report, the decrease in revenue of the Group was mainly due to (i) the epidemic in Hong Kong since January 2020 where people traffic decreased and the number of customers visiting our restaurants declined significantly; and (ii) closures of three restaurants in February and May 2019.

The gross profit of the Group for the year ended 31 March 2020 was approximately HK$24.0 million, representing a decrease of approximately 57.6% as compared to that of approximately HK$56.6 million for the year ended 31 March 2019. The Group's gross profit margin decreased to approximately 55.8% for the year ended 31 March 2020 from approximately 61.5% for year ended 31 March 2019. According to the 2020 Annual Report, the decrease in gross profit and gross profit margin was mainly due to (i) the decrease in revenue as discussed above; and (ii) the increase in cost of food ingredients.

In addition, the loss and total comprehensive loss attributable to Shareholders increased from approximately HK$20.6 million for the year ended 31 March 2019 to approximately HK$32.9 million for the year ended 31 March 2020, representing a increase of approximately 59.9%. Such increases were mainly attributable to the abovementioned decrease in revenue and gross profit for the year ended 31 March 2020.

Moreover, based on the annual reports of the Group, it was also noted that the Group has been making loss since the year ended 31 March 2017. Having considered (i) the Group has been in loss making position of the Group from the year ended 31 March 2017 and the unsatisfactory financial performance for the three years ended 31 March 2020; and (ii) the subtraction of the operation scale as a result of the closures of the restaurants, we are of the view that the Group has a pressing need to strengthen its financial performance by broadening its revenue stream.

Information on SH ShunFeng

SH ShunFeng is a company incorporated in the PRC and principally engaged in the provision of Chinese cuisine catering service through the chain of stores and hotels directly operated by SH ShunFeng in the PRC.

The issued shares of SH ShunFeng were listed on NEEQ (under the stock code: 870798) in March 2017. As stated in the Letter, according to the financial information disclosed in the disclosure information platform designated by the NEEQ, SH ShunFeng recorded a turnover of approximately RMB1.2 billion for the year ended 31 December 2018 and the net profit for the year amounted to approximately RMB80.2 million.

As stated in the Letter, as at the Latest Practicable Date, SH ShunFeng operated over 30 chain stores and hotels in Shanghai, the PRC. The issued shares of SH ShunFeng were voluntarily delisted from the NEEQ in May 2019 since the nature of the NEEQ and its low trading volume made it difficult for SH ShunFeng to identify and establish its fair value and to reflect the competitive strengths which differentiate SH ShunFeng from its competitors.

According to the website of SH ShunFeng, the restaurants under which provide a wide spectrum of Shanghainese dishes with traditional Chinese culture, has been a well-known and an auspicious brand in Shanghai community.

2. Principal terms of the Management Service Agreement

As disclosed in the Letter, the salient terms of the Management Service Agreement are as follows:

Date	:	29 April 2020
Parties	:	(i) SH ShunFeng (as the principal); and (ii) the Company (as the manager)
Term	:	The Management Service Agreement will be effective from 1 May 2020 and up to 31 March 2023 (both dates inclusive), subject to the approval from the Independent Shareholders.
Nature of the transactions	:	Pursuant to the terms of the Management Service Agreement, SH ShunFeng as the principal appointed the Company as the manager to provide catering supervision, guidance and management services to the Target Restaurants.

Pricing Policy	:	The management services fee under the Management Service Agreement was made reference to the percentages charged on turnover adopted by Independent Third Parties for the provision of similar management service, such as improvement of quality of services, procurements, menu design, food safety, hygiene and environmental improvement, handling customers' complaints and satisfaction, in the market, After the arm's length negotiations and agreed between the parties, the management services fees payable by SH ShunFeng to the Group shall be determined on the basis of 6% on the turnover of the Target Restaurants. The service fees of 6% on the turnover of the Target Restaurants was determined after having compared agreements of other catering management service providers obtained by business partners of a director in previous engagements for similar services in the PRC (the "**Agreements**"), which applied charging rates from 6% to 7% on turnover of the restaurants. Having considered the above, the Directors (including the independent non-executive Director) consider that the charging of 6% on the turnover is on normal commercial terms, not less favourable than those offered by Independent Third Parties and not prejudicial to the interests of the Company and its minority shareholders.
Settlement terms	:	Payments of the transactions will be settled quarterly by cash transfer within 15 business days after the end of each calendar quarter

Based on the three Agreements with similar scope of services, which included operation management, improvement of quality of services, procurements, food safety, hygiene and environmental improvement, handling customers' complaints and satisfaction, fall under the Management Service Agreement, being all of the sample agreements available to us, we noted that (i) the charging methodology, i.e. as a percentage of the total turnover of the restaurants, under the Management Service Agreement is consistent with those under the Agreements; and (ii) the basis of 6% charged under the Management Service Agreement were within the range of the fees rated charged by other providers, which were ranged from 6% to 7% of the total turnover of the restaurants. As such, the Directors consider, and we concur, that the basis and determination of the management fee is fair and reasonable and the fees to be charged by the Group to SH ShunFeng is no less favourable than those to be charged to the Independent Third Parties.

We have reviewed the Management Service Agreement and did not note any abnormal terms.

3. Reasons for and benefits of entering into the Management Service Agreement

According to the Letter, the Group is principally engaged in the provision of food catering services through a chain of hotpot specialty restaurants in Hong Kong. The social unrest in Hong Kong since June 2019 has weakened consumer sentiment and affected the economy and the food and beverage market in Hong Kong. For the year ended 31 March 2020, the Group recorded a turnover of approximately HK$43.0 million, representing a decrease of approximately HK$49.1 million from approximately HK$92.1 million for the year ended 31 March 2019. Loss for the year ended 31 March 2020 was approximately HK$32.9 million, representing an increase of approximately HK$12.3 million from approximately HK$20.6 million for the year ended 31 March 2019. The decrease in turnover was mainly due to the closure of restaurants located at Wan Chai, Causeway Bay, Kwai Chung and Prince Edwards in June 2018, February 2019, May 2019 and May 2019, respectively.

After the outbreak of novel coronavirus (the "**outbreak**") since January 2020, the catering business in Hong Kong was greatly affected since people traffic decreased under the social distancing measures implemented by the Hong Kong Government. Restaurants principally engaged in the provision of wedding banquet, buffet and hotpot, were mostly affected under the outbreak. Moreover, cases were diagnosed with the infection of novel coronavirus when having hotpot further discouraging the public to consider hotpot as a choice for social gathering. As such, it is foreseeable that the hotpot catering business would be languished for a period of time though the outbreak is waned.

The Board considers that the entering of Management Service Agreement would provide an opportunity for the Group to expand the operations and develop a catering business in the PRC to diversify the Group's existing operations and to stimulate the business growth and return of the Company. It would also provide the Group a chance to lay a solid foundation for entering the catering business sector in the PRC through such strategic cooperation with SH ShunFeng.

Expansion of the Group's operations and develop a catering business in the PRC to diversify the Group's existing operations

According to the 2019 Annual Report and the 2020 Annual Report, we noted that all of the Group's revenue is derived from the provision of food catering services through a chain of hotpot specialty restaurants solely in Hong Kong.

The Company will provide supervision, guidance and management services to SH ShunFeng, including but not limited to, in the areas of environmental, workplace and hygienic management where the Company will implement internationally accepted standards to the operations of SH ShunFeng to uplift the standard of services providing to customers. SH ShunFeng can be benefited in maintaining its competitiveness and strengthened its position in the catering business in Shanghai, the PRC.

We noted that the Group, throughout its years of operation since 2004, has been focusing and specialising in Hong Kong style hotpot cuisines. Through the introduction of a new brand "Hotpot Hangding" during the year ended 31 March 2019, the Group offered its first authentic Sichuan style spicy hotpot to customers in a classy setting. Given SH

ShunFeng is a well established Chinese cuisine catering service provider in Shanghai with proven track record as discussed in the section head "1. Background of the Group, SH ShunFeng and the Management Service Agreement — Information on SH ShunFeng" of this letter, by entering into the Management Service Agreement, it would be an excellent opportunity for expanding the Group's business and geographical presence and gaining experiences of cuisine other than hotpot by leveraging the experience of the Group and its management in catering businesses accumulated throughout its year of operation.

Despite the Group only operated in Hong Kong and without operating experience in the PRC, based on our discussion with the management of the Group, we understand that (i) the management of the Group has over 16 years of extensive experience in the food catering industry and the Group has years of food catering experience since 2004; and (ii) according to the 2020 Annual Report, Mr. Zhang, the executive Director, has over 16 years of experience in the restaurant and catering industry in the PRC and held managerial positions with large scale catering enterprises in the PRC and was mainly responsible for procurement, general operations and management during his tenure in the said catering enterprises, the Board is of the view, and we concur that, the Group, together with its management and the executive Directors, is competent to provide the services under the Management Service Agreement.

Moreover, according to the 2019 Annual Report, the Group strategically remodelled by hotpot dining concept by refreshing its image through the introduction of new brands and new dining experience. Given SH ShunFeng operates traditional Chinese restaurant, the Group can leverage its experience of rebranding and give suggestions to SH ShunFeng for branding and remodeling if necessary or when the need comes. Furthermore, as a long established catering provider in Hong Kong with a listing status on the Stock Exchange, which diners would generally trust and appreciate the service quality, standard and dining experience, the overall standards to the operations of SH ShunFeng is expected to be uplifted. As a result, we are of the view that the entering of the Management Service Agreement is mutually beneficial to the Group and SH ShunFeng.

Stimulate the business growth and return of the Company

According to the Letter, the Group's operation and financial results was negatively affected by the social unrest in Hong Kong since June 2019 further resulting in the deteriorating historical financial results of the Group as discussed in the section headed "1. Background of the Group, SH ShunFeng and the Management Service Agreement — Financial Information of the Group" in this letter, the management of the Group then decided to stimulate business growth and return of the Company by entering into of the Management Service Agreement. Pursuant to the terms of the Management Service Agreement, SH ShunFeng as the principal to appoint the Company as the manager to provide catering supervision, guidance and management services to the Target Restaurants. As advised by the management of the Group, the said nature of the transactions to be contemplated under the Management Service Agreement generally have a higher profit margin due to the fact that the said nature is not expected to incur significant up-front investment (i.e. purchase of kitchenware or remodeling) and/or running costs (i.e. purchase of food ingredients or rental expenses) as compared to the Group's currently business model, and hence would provide additional revenue sources as well as stimulate the business growth and return for the Group.

Industry outlook

According to the public information available from the National Bureau of Statistics of China (中華人民共和國國家統計局), the national gross domestic product increased from approximately RMB68,885.8 billion in 2015 to RMB99,086.5 billion in 2019, representing a compound annual growth rate ("**CAGR**") of approximately 9.5%, while the disposable income per capita in Shanghai, being the city which the Target Restaurants are located, increased from approximately RMB49,867.2 in 2015 to RMB69,441.6 in 2019, representing a CAGR of approximately 8.6%. In addition, the national consumption on food, tobacco and alcohol per capita increased from approximately RMB4,814.0 in 2015 to RMB6,084.0 in 2019, representing a CAGR of approximately 6.0%.

As disclosed in the Letter, according to "2019 China's Catering Industry Annual Report" (2019中國餐飲業年度報告) issued by the China Hospitality Association (中國飯店協會), the annual turnover of catering business in the PRC amounted to approximately RMB4,271.6 billion. The annual turnover of China's hotpot industry amounted to approximately RMB875.7 billion in 2018, representing an increase of 52% when compared to 2014 and expecting to achieve approximately RMB960.0 billion in 2019. As such, the Directors are of the view, and we concur, that the entering into of the Management Service Agreement would provide an opportunity for the Group to expand its operations and develop a catering business in the PRC to diversify the Group's existing operations and to stimulate the business growth and return of the Group. It would also provide the Group a chance to lay a solid foundation for entering the catering business sector in the PRC, including but not limited to hotpot catering, through such strategic cooperation with SH ShunFeng.

Taking into consideration that (i) both the Group and SH ShunFeng are principally engaged in the food catering industry; (ii) by leveraging on the experience and reputation of SH ShunFeng in the PRC, in particular, Shanghai, it allows the Group to diversify and expand its geographic presence to the PRC; (iii) the management of the Group has extensive experience in the food catering industry; and (iv) positive industry outlook of the PRC, particularly Shanghai, the Directors consider, and we concur, that the Management Service Agreement and the transactions contemplated thereunder is in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

4. The Proposed Annual Caps

With reference to the Letter from the Board, the table below sets out the Annual Caps under the Management Service Agreement:

	For the year ending 31 March		
	2021	**2022**	**2023**
	'000	*'000*	*'000*
Annual Caps			
RMB	42,000	45,000	47,000
Equivalent to HKD *(at an exchange rate of 1.12)*	47,040	50,400	52,640

According to the Letter, the above Annual Caps are determined with reference to the annual estimated management service fees payable by SH ShunFeng to the Company pursuant to the Management Service Agreement. The annual estimated transaction amounts for the Management Service Agreement for the three years ending 31 March 2023 are determined after having considered, among others, (i) the expected total revenue of the Target Restaurants; and (ii) the expected inflation in the PRC for the three years ending 31 March 2023.

The table below sets forth (i) the historical turnover of the Target Restaurants for the year ended 31 December 2019; and (ii) the estimated turnover of the Target Restaurants for the three years ending 31 March 2023, which was calculated by multiplying the average monthly turnover of the Target Restaurants for the year ended 31 December 2019 by 12 and the expected inflation of 6% in the PRC:

	For the year ended 31 December	**For the year ending 31 March**		
	2019	**2021**	**2022**	**2023**
RMB million	655.1	694.4	736.0	780.2

We have discussed with the management of the Group regarding the underlying assumptions and bases that have been taken into account by the Company in determining the annual estimated management service fees payable by SH ShunFeng to the Company pursuant to the Management Service Agreement. Based on the above, the estimated turnover of the Target Restaurants for the three year ending 31 March 2023 represented an annual growth rate of 6%, which was based on the expected inflation rate with reference to the 2019 Consumer Price Index on Food, Tobacco and Liquor of 7.0% published on the website of National Bureau of Statistics of China for each of the years ending 31 March 2023 multiplied by 6% management service fee as set out in the Management Service Agreement.

We have further obtained and review breakdown of turnover of each of the Target Restaurant as well as sample of the underlying consolidated financial statements for the two years ended 31 December 2018 and 2019 of the company operating respective Target Restaurant with no discrepancies noted.

Moreover, we note that the turnover of those Target Restaurants with full year operation for the year ended 31 December 2019 increased by approximately 6% as compared to the turnover of those for the year ended 31 December 2018. As such, we are of the view that the annual growth rate of 6% for the estimated turnover of the Target Restaurants for each of the years ending 31 March 2023 is not excessive.

In light of (i) the historical growth rate of the Target Restaurants for the two years ended 31 December 2018 and 2019 as set out above; and (ii) the expected inflation rate is based on a fair and representative reference extracted from the National Bureau of Statistics of China, we are of the view that the proposed Annual Caps were set by the Board after due and careful consideration and are fair and reasonable. Moreover, given the service fee income will become a source of revenue for the Group, we consider that the proposed Annual Caps are acceptable.

The Annual Caps are determined by the management based on assumptions, among others, current estimation of the amount of turnover of the Target Restaurants. Accordingly, we express no opinion as to how closely the actual amounts contemplated under the continuing connected transactions in comparison to the Annual Caps.

ANNUAL REVIEW OF THE CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rules 20.53 and 20.54 of the GEM Listing Rules, the transactions contemplated under the Management Service Agreement are subject to the following requirements:

(a) the independent non-executive Directors must review the continuing connected transactions every year and confirm in the annual report whether the transactions have been entered into:

    (i) in the ordinary and usual course of business of the Group;

    (ii) on normal commercial terms or better; and

    (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;

(b) the Company must engage its auditors to report on the continuing connected transactions every year. The Company's auditors must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions:

    (i) have not been approved by the Board;

(ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve provision of goods or services by the Group;

(iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and

(iv) have exceeded the Annual Caps.

Furthermore, according to the internal control procedures adopted by the Group as disclosed in the Letter, the Group will carry out quarterly review on the turnover of Target Restaurant in order to ensure that the management service fees to be paid by SH ShunFeng to the Group is in accordance with the Management Service Agreement. In view of the continuing connected transactions under the Management Service Agreement will be subject to annual review of the independent non-executive Directors and the auditors of the Company as well as the internal control procedures adopted by the Group, we are of the view that appropriate measures will be in place to govern the conduct of the continuing connected transactions and safeguard the interests of the Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we are of the view that the Management Service Agreement have been entered into in the ordinary and usual course of the Group's business, on the basis that the service scope of the Management Service Agreement, i.e. provision of catering supervision, guidance and management services to restaurants forms part of the operation of the principal activity of the Group, based on normal commercial terms, and the terms thereof, together with the Annual Caps, are fair and reasonable so far as the Company and the Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) to approve the Management Service Agreement and the transactions contemplated thereunder including the Annual Caps at the EGM.

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited
Gary Mui
Chief Executive Officer

Mr. Gary Mui is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 20 years of experience in the finance and investment banking industries.

1. 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 Group. 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of Directors and the chief executives in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares and underlying Shares of the Company

Name of Directors	Capacity/Nature of interests	Number of Shares	Percentage of shareholding *(Note 3)*
Ms. Wong *(Note 1)*	Interest in controlled corporation	836,952,000	69.75%
Mr. Kwok *(Note 2)*	Family interest	836,952,000	69.75%
Mr. Zhang	Personal interest	15,696,000	1.31%

Notes:

1. Sure Wonder, which holds 836,952,000 Shares, is owned as to 83.4% by Ms. Wong, 9.3% by Mr. Kwok, 5.5% by Mr. Hui and 1.8% by Ms. Yang, respectively. As Ms. Wong is entitled to exercise more than one-third of the voting power at general meetings of Sure Wonder, Ms. Wong is taken to be interested in the 836,952,000 Shares in which Sure Wonder is interested under the SFO.

2. Mr. Kwok, our chief executive officer, is Ms. Wong's spouse and is deemed to be interested in 836,952,000 shares in which Ms. Wong is interested under the SFO.

3. These percentages are calculated on the basis of 1,200,000,000 Shares in issue as at the Latest Practicable Date.

Long positions in the shares of associated corporation

Name of Directors	Name of associated corporation	Capacity/Nature of interest	Number of shares held	Percentage of shareholding
Ms. Wong *(Note 1)*	Sure Wonder	Beneficial owner	834	83.4%
		Family interest	93	9.3%
Mr. Kwok *(Note 1)*	Sure Wonder	Family interest	93	9.3%
		Beneficial owner	834	83.4%
Mr. Chan *(Note 2)*	Sure Wonder	Family interest	18	1.8%

Notes:

1. Mr. Kwok, our chief executive officer, is Ms. Wong's spouse and is deemed to be interested in the shares of Sure Wonder held by Ms. Wong under the SFO. Accordingly, Ms. Wong, our executive director, is deemed to be interested in the shares of Sure Wonder held by Mr. Kwok under the SFO.

2. Mr. Chan, our executive director, is the spouse of Ms. Yang and is deemed to be interested in the shares of Sure Wonder held by Ms. Yang under the SFO.

Save as disclosed above and so far as is known to the Directors, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or which were required pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Interests and short positions of substantial Shareholders and other persons in the Shares and underlying shares of the Company

As at the Latest Practicable Date, the following persons/entities (other than the Directors or chief executive of the Company) had or were deemed to have interests or short positions in the Shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group:

Name of substantial Shareholders	Capacity/Nature of interests	Number of Shares held	Percentage of shareholding *(Note 2)*
Sure Wonder *(Notes 1 and 2)*	Beneficial owner	836,920,000	69.75%

Notes:

1. As at the Latest Practicable Date, Sure Wonder, which holds 836,952,000 Shares in issue of the Company, is owned as to 83.4% by Ms. Wong, 9.3% by Mr. Kwok, 5.5% by Mr. Hui and 1.8% by Ms. Yang, respectively. As Ms. Wong is entitled to exercise more than one-third of the voting power at general meetings of Sure Wonder, Ms. Wong is taken to be interested in the 836,952,000 Shares in which Sure Wonder is interested under the SFO.

2. These percentages are calculated on the basis of 1,200,000,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other persons who had or were deemed to have an interest or a short position in the Shares or the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

3. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in other competing business.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2020, being the date to which the latest published audited financial statements of the Company were made up.

5. SERVICE CONTRACTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, none of the Directors or expert had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up.

No Director was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole, save for the Management Service Agreement.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this circular:

Name	Qualification
Lego Corporate Finance Limited	a licensed corporation under the SFO permitted to carry out type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, the Independent Financial Adviser was not beneficially interested in the share capital of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in the Group.

As at the Latest Practicable Date, the Independent Financial Adviser had no direct or indirect interest in any assets which had been since 31 March 2020 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular, with the inclusion therein of its letter and references to its name in the form and context in which it appears.

8. GENERAL

Should there be any inconsistencies between the English text and the Chinese text of the circular, the English text of this circular shall prevail over the Chinese text.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at Room 1501, 15/F., Vanta Industrial Centre, 21–33 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong during normal business hours from 9:30 a.m. to 12:00 p.m. and 2:00 p.m. to 5:30 p.m. on any weekday (except Saturdays and public holidays) from the date of this circular up to the date of the EGM:

(a) this circular;

(b) the letter of recommendation from the Independent Board Committee to the Independent Shareholders, the text of which is set out on page 16 of this circular;

(c) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 17 to 29 of this circular;

(d) the written consent of the Independent Financial Adviser referred to in the paragraph headed "Expert and Consent" in this appendix; and

(e) the Management Service Agreement.

CBK Holdings Limited
國茂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8428)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of CBK Holdings Limited (the "**Company**") will be held at Room 1501, 15/F., Vanta Industrial Centre, 21–33 Tai Lin Pai Road, Kwai Chung, New Territories Hong Kong on Friday, 7 August 2020 at 10:00 a.m. (the "**Meeting**") for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

1. "**THAT**:

(a) the execution of the management service agreement dated 29 April 2020 ("**Management Service Agreement**") entered into between the Company and Shanghai ShunFeng Restaurant Group Company Limited, a copy of which is tabled at the Meeting and marked "A" and initialed by the chairman of the Meeting for identification purpose, be and is hereby confirmed, ratified and approved and the transactions contemplated thereunder be and are hereby approved;

(b) subject to the passing of resolution numbered 1(a) as set out in this notice of EGM, the annual caps of the Management Service Agreement for each of the three financial years ending 31 March 2021, 2022 and 2023 be and are hereby approved; and

(c) subject to the passing of resolutions 1(a) and (b) as set out in this notice of EGM, any one or more directors of the Company be and are hereby authorised to do all such acts and things as they consider necessary and to sign and execute all such documents (including under the Seal of the Company), and to take all such steps which in their opinion may be necessary appropriate, desirable or expedient for the purpose of giving effect to the Management Service Agreement and its proposed annual caps and completing the transactions contemplated thereby."

By Order of the Board
CBK Holdings Limited
Wong Wai Fong
Chairman and Executive Director

Hong Kong, 10 July 2020

Notes:

1. Any member of the Company (the "**Member**") entitled to attend and vote at the EGM or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and vote instead of him/her/it. A proxy needs not be a Member but must be present in person at the EGM to represent the Member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which such proxy is so appointed.

2. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the EGM if he/she/it so wishes. In the event of a Member who has lodged a form of proxy attending the EGM in person, the form of proxy will be deemed to have been revoked.

3. To be valid, the instrument appointing a proxy or proxies, or nominating a proxy or proxies on behalf of the Depository together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the office of the Company's Hong Kong branch share registrar and transfer office, 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 but in any event, not later than 48 hours before the time appointed for holding the EGM or its adjournment (as the case may be).

4. For determining the entitlement of the Members to attend and vote at the EGM, the register of members of the Company ("**Register of Members**") will be closed from Tuesday, 4 August 2020 to Friday, 7 August 2020 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for attending and voting at the EGM, non-registered Members must lodge all transfer documents, accompanied by the relevant share certificates with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Monday, 3 August 2020.

5. In compliance with Rule 17.47(4) of the GEM Listing Rules, voting on all proposed resolution set out in this Notice will be decided by way of a poll. The Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

6. Where there are joint holders of any Share, any one of such joint holders may vote at the EGM, either personally 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 are present at the EGM personally or by proxy, that one of such joint holders so present whose name stands first in the Register of Members in respect of the joint holding shall alone be entitled to vote in respect thereof.

7. (a) If a tropical cyclone typhoon signal no. 8 or above or a black rainstorm warning, or "extreme conditions after super typhoons" announced by the Hong Kong Government is/are in force in Hong Kong at or at any time after 7:00 a.m. on the date of the EGM, the EGM will be postponed and the Members will be informed of the date, time and venue of the postponed EGM by an announcement posted on the respective websites of the Company and the Stock Exchange.

   (b) If a tropical cyclone typhoon signal no. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 7:00 a.m. on the date of EGM and where conditions permit, the EGM will be held as scheduled.

   (c) The EGM will be held as scheduled when an amber or red rainstorm warning signal is in force.

   (d) After considering their own situations, the Members should decide on their own as to whether they would attend the EGM under any bad weather condition and if they do so, they are advised to exercise care and caution.

8. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.