

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



利·寶·閣

Li Bao Ge Group Limited

利寶閣集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1869)

**(1) CHANGE OF THE BOARD;
(2) CHANGE OF CHAIRMAN OF THE BOARD AND
CHIEF EXECUTIVE OFFICER OF THE COMPANY;
(3) CHANGES IN COMPOSITION OF BOARD COMMITTEES; AND
(4) CHANGE OF AUTHORISED REPRESENTATIVE
AND PROCESS AGENT**

The board (the “**Board**”) of directors (the “**Directors**”) of Li Bao Ge Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that with effect from 2 November 2023:

1. Mr. Chan Chun Kit resigned as an executive Director, the chairman of the Board (the “**Chairman**”), the chief executive officer of the Company (the “**Chief Executive Officer**”), the chairman of the nomination committee of the Company (the “**Nomination Committee**”), a member of the remuneration committee of the Company (the “**Remuneration Committee**”) and the authorised representative of the Company (the “**Authorised Representative**”) under Rule 3.05 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”);
2. Ms. Chan Josephine Wai Sze resigned as an executive Director;
3. Ms. Zhu Xueqin resigned as an executive Director;
4. Mr. Chow Yiu Pong David resigned as a non-executive Director;
5. Mr. Chan Ming Kei resigned as an independent non-executive Director, a member of the audit committee of the Company (the “**Audit Committee**”), the chairman of the Remuneration Committee, and a member of the Nomination Committee and the legal compliance committee of the Company (the “**Legal Compliance Committee**”);

6. Mr. Kan Sze King Kenneth resigned as an independent non-executive Director, and a member of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Legal Compliance Committee;
7. Mr. Lee Cheung Yuet Horace resigned as an independent non-executive Director, and the chairman of the Audit Committee and the Legal Compliance Committee;
8. Loong & Yeung resigned as an authorised representative (the “**Process Agent**”) for accepting service of process and notices on behalf of the Company in Hong Kong as required under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
9. Mr. Liang Naiming (“**Mr. Liang**”) has been appointed as the Chairman, the chairman of the Nomination Committee, a member of Remuneration Committee, the Chief Executive Officer and the Authorised Representative;
10. Mr. Ma Xiaoping (“**Mr. Ma**”) has been appointed as an executive Director;
11. Mr. Cui Zifeng (“**Mr. Cui**”) has been appointed as a non-executive Director;
12. Mr. Wong Chun Peng Stewart (“**Mr. Wong**”) has been appointed as an independent non-executive Director, the chairman of the Legal Compliance Committee, and a member of the Audit Committee and the Nomination Committee;
13. Mr. So Ting Kong (“**Mr. So**”) has been appointed as an independent non-executive Director, and a member of the Audit Committee, the Remuneration Committee and the Legal Compliance Committee;
14. Mr. Liu Huaiyu (“**Mr. Liu**”) has been appointed as an independent non-executive Director, the chairman of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee and the Legal Compliance Committee; and
15. Ashurst Hong Kong has been appointed as the Process Agent.

This announcement is made by the Company pursuant to Rules 13.51(2) and 13.51(5) of the Listing Rules.

References are made to (i) the composite document dated 31 August 2023 and jointly issued by the Company and the Offeror in relation to the Cash Offer (the “**Composite Document**”); and (ii) the announcement jointly published by the Company and the Offeror dated 3 October 2023 in relation to, among others, the close of Cash Offer (the “**Close of Cash Offer Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Composite Document and the Close of Cash Offer Announcement.

CHANGE OF THE BOARD; CHANGE OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER OF THE COMPANY; AND CHANGES IN COMPOSITION OF BOARD COMMITTEES

Resignation of Directors

The Board announces that with effect from 2 November 2023:

1. Mr. Chan Chun Kit resigned as an executive Director, the Chairman, the Chief Executive Officer, the chairman of the Nomination Committee, a member of the Remuneration Committee and the Authorised Representative;
2. Ms. Chan Josephine Wai Sze resigned as an executive Director;
3. Ms. Zhu Xueqin resigned as an executive Director;
4. Mr. Chow Yiu Pong David resigned as a non-executive Director;
5. Mr. Chan Ming Kei resigned as an independent non-executive Director, a member of the Audit Committee, the chairman of the Remuneration Committee, and a member of the Nomination Committee and the Legal Compliance Committee;
6. Mr. Kan Sze King Kenneth resigned as an independent non-executive Director, and a member of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Legal Compliance Committee; and
7. Mr. Lee Cheung Yuet Horace resigned as an independent non-executive Director, and the chairman of the Audit Committee and the Legal Compliance Committee.

The resignation of the aforesaid Directors (collectively, the “**Outgoing Directors**”) was due to change in control of the Company after Completion and the close of the Cash Offer. Each of the Outgoing Directors has confirmed that he/she has no disagreement with the Board and there are no matters in respect of his/her resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”).

Upon the resignation of Mr. Chan, Mr. Chan will still remain as a director of some of the subsidiaries of the Company.

The Board would like to take this opportunity to express its appreciation to the Outgoing Directors for their invaluable contribution to the Group during their tenure of office.

Appointment of New Roles of Mr. Liang

The Board further announces that with effect from 2 November 2023 Mr. Liang has been appointed as the Chairman, the chairman of the Nomination Committee, a member of the Remuneration Committee, the Chief Executive Officer and the Authorised Representative.

For the biographical details of Mr. Liang whom has been appointed as an executive Director on 23 June 2023, please refer to the announcement of the Company dated 23 June 2023 in relation to his appointment. Mr. Liang has executed a supplemental service contract with the Company pursuant to which (i) he has been appointed as the Chairman, the chairman of the Nomination Committee, a member of the Remuneration Committee, and the Chief Executive Officer; and (ii) his director's emolument has been increased to HK\$2,243,520 per annum, which is determined by the Board based on the recommendation of the Remuneration Committee in view of his duties and responsibilities in his new positions and with reference to Mr. Chan Chun Kit's remuneration which was the same amount as when he was holding the positions of executive Director, the Chairman, the Authorised Representative, the chairman of the Nomination Committee, a member of the Remuneration Committee and the CEO.

As at the date of this announcement, the interests of Mr. Liang in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) are set out below:

Number of Shares held/interested in	Capacity/Nature	Approximate percentage of shareholding as at the date of this announcement
564,993,860	Interest in a controlled corporation ⁽¹⁾	51.13

Note:

- (1) Mr. Liang owns 100% of Kafelaku Coffee Industrial Limited which in turn owns approximately 51.13% of the entire issued share capital of the Company as at the date of this announcement. As such, Mr. Liang is deemed, or is taken to be, interested in all the shares of the Company held by Kafelaku Coffee Industrial Limited for the purposes of the Securities and Futures Ordinance.

Appointment of Directors

The Board further announces that with effect from 2 November 2023:

1. Mr. Ma has been appointed as an executive Director;
2. Mr. Cui has been appointed as a non-executive Director;
3. Mr. Wong has been appointed as an independent non-executive Director, the chairman of the Legal Compliance Committee and a member of the Audit Committee and the Nomination Committee;
4. Mr. So has been appointed as an independent non-executive Director, and a member of the Audit Committee, the Remuneration Committee and the Legal Compliance Committee; and
5. Mr. Liu has been appointed as an independent non-executive Director, the chairman of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee and the Legal Compliance Committee.

The biographical details of the above mentioned newly appointed Directors (collectively, the “**New Directors**”) are set out below:

Executive Director

Mr. Ma Xiaoping (馬小平)

Mr. Ma, aged 60, worked at the Shanxi Province Jinzhong Economic Commission* (山西省晉中經濟委員會) from March 1978 to September 1984. Following that, he served as the Manager of the Shanxi Jinzhong Light Textile Industry Bureau Supply and Marketing Corporation* (山西晉中輕紡工業局供銷總公司) from October 1984 to May 2004. Subsequently, he held the position of Manager at the branch company of Shanxi Xinxing Real Estate Development Company Branch* (山西新興房地產開發公司分公司) from June 2004 to December 2007. Since 2008, Mr. Ma has been the General Manager of Shanxi Xiangrui Real Estate Development Co., Ltd.* (山西祥瑞房地產開發有限公司).

Mr. Ma graduated from the Shanxi University of Finance and Economics (山西財經大學) on Financial Accounting in 1991 and the University of Science and Technology of China (中國科學技術大學) on a Master of Economics and Management in 1998.

Mr. Ma has served as a member of the Fourth Political Consultative Conference (CPPCC) (山西省晉中市四屆政協委員) and held the position of deputy director at the Environmental Economics Committee (環境經濟委員會副主任) in Jinzhong City, Shanxi Province from October 2016 to September 2021.

Mr. Ma will enter into a service agreement with the Company for a term of three years, and is subject to retirement by rotation and re-election at the next general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. Ma is entitled to a remuneration of HK\$108,000 per annum. The remuneration package of Mr. Ma was determined with reference to his duties, responsibilities as well as the Company's remuneration policy and the prevailing market conditions, and will be reviewed by the Board on an annual basis.

Non-Executive Director

Mr. Cui Zifeng (崔子鋒)

Mr. Cui, aged 35, is currently the director (總監) of marketing department at Talent Huge Limited in Hong Kong since January 2010, the director at Hainan Meilangwan Tourism Industry Co., Ltd. 海南美浪灣文旅產業有限公司* since January 2021, the chairman and director of Hainan Meilangwan Fragrance Biotech Co., Ltd. 海南美浪灣香藥生物有限公司* since July 2022, the executive director at Guangzhou Guxin Intelligent Technology Co., Ltd. 廣州故新智能科技有限責任公司* since May 2019, and the director of Jiangsu Safety Holdings Group Co., Ltd. 江蘇賽福天集團股份有限公司* (listed on Shanghai Stock Exchange (the "SSEC"): 603028) since November 2020. He was the director (總監) of international business department at Jianfeng Rigging Co., Ltd. 建峰索具有限公司* from February 2012 to May 2021, the executive director and chief executive officer at Guangzhou Ruipu Testing Co., Ltd. 廣州銳譜檢測有限公司*, the chief executive officer at Jianfeng Rigging Co., Ltd. 建峰索具有限公司*, and the chairman and director of Jiangsu Safety Holdings Group Co., Ltd. 江蘇賽福天集團股份有限公司* (listed on the SSEC: 603028) from July 2019 to March 2020.

Mr. Cui obtained a Bachelor of Science degree in Philosophy and Economics from the University of Bristol in the United Kingdom in June 2010.

Mr. Cui will enter into a service agreement with the Company for a term of three years, and is subject to retirement by rotation and re-election at the next general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. Cui is entitled to a remuneration of HK\$108,000 per annum. The remuneration package of Mr. Cui was determined with reference to his duties, responsibilities as well as the Company's remuneration policy and the prevailing market conditions, and will be reviewed by the Board on an annual basis.

Independent non-executive Directors

Mr. Wong Chun Peng Stewart (黃俊鵬)

Mr. Wong, aged 56, has more than 28 years of experience in the legal industry. Mr. Wong worked at Deacons (formerly known as Deacons Graham & James) as a trainee solicitor from August 1993 to July 1995 and became an associate solicitor in the China Practice Group at Deacons from August 1995 to December 1996. Mr. Wong has practiced law in a number of international firms such as Deacons (including posting as a representative in Beijing, the PRC) from September 2002 to March 2005, Baker McKenzie from January 2007 to July 2009 and Hogan Lovells from February 1999 to March 2002, and has worked as in-house counsel in two listed companies in Hong Kong, namely Dickson Concepts (International) Limited, which is listed on the Main Board of the Stock Exchange (the “**Main Board**”) (stock code: 0113) and Samsonite International S.A., which is listed on the Main Board (stock code: 1910), from August 2009 to May 2013 and May 2013 to January 2016, respectively. Mr. Wong also practised as a consultant in law firms such as YTL & Co. from February 2017 to July 2018 and AH Lawyers from April 2020 to September 2020. Mr. Wong has been a principal of Stewart Wong & Associates since October 2020, which is a law firm where he has been involved in the provision of a wide array of legal services, including mergers and acquisitions, litigation and general commercials. He was also a director of Pinwheel Company Limited which was deregistered on 16 June 2017 and an independent non-executive director of TL Natural Gas Holdings Limited (stock code: 8536) from 28 June 2017 to 19 June 2020. He was appointed as an independent non-executive director of Pinestone Capital Limited (stock code: 804) from 7 September 2022.

Mr. Wong graduated from the City University of Hong Kong (formally known as City Polytechnic of Hong Kong) in Hong Kong with a bachelor’s degree of law with first class honours in November 1991. He also obtained his master’s degree in law from the University of Cambridge in England in June 1993. Mr. Wong became qualified as a solicitor of the High Court of Hong Kong in September 1995.

Mr. Wong will enter into a letter of appointment with the Company for a term of one years, and is subject to retirement by rotation and re-election at the next general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. Wong is entitled to a remuneration of HK\$148,000 per annum. The remuneration package of Mr. Wong was determined with reference to his duties, responsibilities as well as the Company’s remuneration policy and the prevailing market conditions, and will be reviewed by the Board on an annual basis.

Mr. So Ting Kong (蘇定江)

Mr. So, aged 37, is a Certified Public Accountant with 8 years experience in financial management and regulatory compliance. He is an independent advisor since October 2022, and specializes in providing expert advisory services to SFC licensed corporations, focusing on regulatory compliance, risk management, and strategic financial planning. Prior to this role, Mr. So was an accounting manager at Silverbricks Securities Company Limited from July 2020 to September 2022 and was as a financial controller at Gransing Securities Co., Limited from June 2015 to July 2020, where he managed the accounting department, implemented internal controls, collaborated with external auditors for regulatory audits, and led the financial reporting processes. Mr. So worked at Kreston CAC CPA Limited from September 2011 to May 2015 and at Cheng & Cheng Limited from July 2008 to July 2011, where he conducted financial audits and prepared audit reports for various clients. Mr. So received his Chartered Accountant from the Institute of Chartered Accountants in England and Wales in 2021, obtained qualification of Certified Public Accountant from the Hong Kong Institute of Certified Public Accountants in 2015 and obtained qualification of Accredited Accounting Technician from the Hong Kong Institute of Accredited Accounting Technicians in 2010.

Mr. So will enter into a letter of appointment with the Company for a term of one years, and is subject to retirement by rotation and re-election at the next general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. So is entitled to a remuneration of HK\$148,000 per annum. The remuneration package of Mr. So was determined with reference to his duties, responsibilities as well as the Company's remuneration policy and the prevailing market conditions, and will be reviewed by the Board on an annual basis.

Mr. Liu Huaiyu (劉懷宇)

Mr. Liu, aged 51, has over 25 years of experience in finance and management with various large organizations and listed companies. Mr. Liu is currently the chief financial officer and the company secretary of YNBY International Limited, a company listed on the Stock Exchange (stock code: 30). He was the chief financial officer of V1 Group Limited, a company listed on the Stock Exchange (stock code: 82), in 2019. He was an executive director, executive vice president, and company secretary of Chiho Environmental Group Limited, a company listed on the Stock Exchange (stock code: 976), from 2016 to 2017. Mr. Liu also served as the executive director and chief financial officer of Xinyuan Real Estate Co., Ltd., a company listed on New York Stock Exchange, from 2015 to 2016. Mr. Liu was the Asia Pacific chief financial officer of Savills Plc from 2011 to early 2015.

Mr. Liu obtained a Master of Business Administration from Cornell University in 1997 and a Bachelor of Economics from Shenzhen University in 1991. Mr. Liu is a member of The Hong Kong Institute of Certified Public Accountants (the "HKICPA") since January 2008, serve on Corporate Finance Committee of HKICPA since 2018 and the Institute of Chartered Accountants in England and Wales since June 2008.

Mr. Liu will enter into a letter of appointment with the Company for a term of one years, and is subject to retirement by rotation and re-election at the next general meeting of the Company in accordance with the articles of association of the Company and the Listing Rules. Mr. Liu is entitled to a remuneration of HK\$148,800 per annum. The remuneration package of Mr. Liu was determined with reference to his duties, responsibilities as well as the Company's remuneration policy and the prevailing market conditions, and will be reviewed by the Board on an annual basis.

Save as disclosed above, as at the date of this announcement, each of the New Directors:

- (i) did not hold any position in the Company or other members of the Group;
- (ii) did not hold any directorship in any public companies, the securities of which are listed in Hong Kong or overseas, in the last three years preceding the date of this announcement;
- (iii) did not have any interest in any Shares or underlying Shares or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO; and
- (iv) was not connected and had no relationship with any Directors, senior management or substantial or controlling shareholders of the Company (as defined in the Listing Rules).

Further, save as disclosed above, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to the appointment of the New Directors that need to be brought to the attention of the Shareholders.

COMPLIANCE WITH THE CG CODE

Under Code Provision C.2.1 of the CG Code, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual.

Mr. Liang has extensive management experience in the food and beverage sector as a chairman and Chief Executive Officer with the responsibility for overseeing the operation and performance for both the Board and business. In view of the fact that Mr. Liang has the relevant food and beverage operating and managing experience since 2003, the Board believes that it is in the best interests of the Group to have Mr. Liang taking up both roles for effective management and business development. The Board also believes that vesting the roles of both Chairman and Chief Executive Officer in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group.

Although Mr. Liang performs both roles of Chairman and Chief Executive Officer, the division of responsibilities between the two roles is clearly established. While the Chairman is responsible for supervising the functions and performance of the Board, the Chief Executive Officer is responsible for the management of the Group's business. The Board considers that the balance of power and authority for the present arrangement will not be impaired given the appropriate delegation of the power of the Board to the senior management for the day-to-day management of the Group, and the effective functions of the independent non-executive Directors representing at least one-third of the Board such that no one individual has unfettered power of decisions. This structure will also enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of Chairman and Chief Executive Officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

The Board will periodically review on the Company's corporate governance functions and will continuously improve the Company's corporate governance practice by assessing the effectiveness with evolving standards to meet changing circumstances and needs.

The Board would like to take this opportunity to welcome Mr. Ma, Mr. Cui, Mr. Wong, Mr. So and Mr. Liu in joining the Company and Mr. Liang to his new roles.

CHANGE OF AUTHORISED REPRESENTATIVE AND PROCESS AGENT

The Board announces that Mr. Liang has been appointed as an Authorised Representative with effect from 2 November 2023.

The Board further announces that Loong & Yeung resigned as the Process Agent with effect from 2 November 2023 and Ashurst Hong Kong has been appointed as the Process Agent with effect from 2 November 2023.

By order of the Board
Li Bao Ge Group Limited
Liang Naiming
Chairman

Hong Kong, 2 November 2023

* *for identification purposes only*

As at the date of this announcement, the executive Directors are Mr. Liang Naiming and Mr. Ma Xiaoping; the non-executive Director is Mr. Cui Zifeng; and the independent non-executive Directors are Mr. Wong Chun Peng Stewart, Mr. Liu Huaiyu and Mr. So Ting Kong.