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China CBM Group Company Limited

中國煤層氣集團有限公司

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

(Stock Code: 8270)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of the shareholders (the “**Shareholders**”) of China CBM Group Company Limited (the “**Company**”) will be held at Conference Room, Main Building, Lizhuang Village, Jiafeng Town, Qinshui County, Jincheng City, Shanxi Province, PRC on Tuesday, 3 January 2023 at 9:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolution of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon, among others, the granting by the Stock Exchange of the listing of, and permission to deal in, the issued ordinary shares of the Company consolidated in the manner as set out in paragraph (a) of this resolution below (the “**Share Consolidation**”):
 - (a) with effect from the business day immediately following the date on which this resolution is passed, being a day on which shares are traded on the Stock Exchange, every eight issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company (the “**Existing Shares**”) be consolidated into one share of HK\$0.08 (each a “**Consolidated Share**”), such Consolidated Shares shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the Bye-laws of the Company;
 - (b) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors (the “**Directors**”) of the Company may think fit; and
 - (c) the Directors be and are generally authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary, desirable or expedient to give effect to the foregoing arrangements for the Share Consolidation.”

2. **“THAT:**

- (a) subject to the fulfillment of the terms and conditions set out in the agreement for sale and purchase dated 30 September 2022 (the **“Sale and Purchase Agreement”**, a copy of which has been produced to the SGM and initialled by the chairman of the Meeting (the **“Chairman”**) for identification purpose) entered into between the Company and Mr. Wang Zhong Sheng (**“Mr. Wang”**) in relation to the proposed acquisition (the **“Proposed Acquisition”**) of the entire issued share capital of the Global Billion Holdings Limited (the **“Target Company”**), at a total consideration of HK\$42,523,400, which shall be satisfied by way of (i) allotment and issue of 93,375,000 Consolidated Shares (the **“Consideration Shares”**) to Mr. Wang to settle part of the consideration of the Proposed Acquisition at completion of the Proposed Acquisition (**“Completion”**); and (ii) issue of the convertible bonds in the principal amount of HK\$11,000,000 to Mr. Wang or his nominee(s) upon Completion to satisfy part of the consideration pursuant to the Sale and Purchase Agreement (**“Convertible Bonds”**) be and are hereby approved, confirmed and ratified;
- (b) the issue of the Convertible Bonds by the Company to Mr. Wang (or at his direction) to settle part of the consideration payable by the Company under the Sale and Purchase Agreement in accordance with the terms and conditions of the Sale and Purchase Agreement and all transactions contemplated be and is hereby approved;
- (c) the allotment and issue of a maximum number of up to 32,582,938 Consolidated Shares (the **“Conversion Share(s)”**) in the share capital of the Company at the initial conversion price of HK\$0.3376 per Conversion Share which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds to the relevant holder(s) of the Convertible Bonds be and are hereby approved;
- (d) the allotment and issue of the Consideration Shares at the issue price of approximately HK\$0.3376 per Consideration Share by the Company to Mr. Wang (or at his direction) to settle part of the consideration payable by the Company under the Sale and Purchase Agreement in accordance with the terms and conditions of the Sale and Purchase Agreement and all transactions contemplated be and is hereby approved;

- (e) subject to The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares to be allotted and issued, the Directors be and are hereby granted a specific mandate (the “**Specific Mandate**”) to allot and issue the Consideration Shares and the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds pursuant to the Sale and Purchase Agreement. The Specific Mandate is in addition to, and shall not prejudice nor revoke any existing or such other general or special mandates which may from time to time be granted to the Directors prior to passing of this resolution; and
- (f) any of the Director be and is hereby authorised to do all such further acts and things, negotiate, approve, agree, sign, initial, ratify and/or execute such further documents, instruments and agreements (whether under common seal or not) and to take all steps and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Sale and Purchase Agreement and the transactions contemplated thereunder as he/she may in his/her absolute discretion consider necessary, desirable or expedient to give effect to the Sale and Purchase Agreement and the implementation of all transactions contemplated thereunder and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interest of the Company and its shareholders as a whole.”

By order of the Board
China CBM Group Company Limited
Wang Zhong Sheng
Executive Director

Hong Kong, 12 December 2022

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Room 20, 19/F
Fortune Commercial Building
362 Sha Tsui Road
Tsuen Wan, Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.

As at the date of this notice, the executive Directors are Mr. Wang Zhong Sheng and Mr. Chang Jian, the non-executive Directors are Mr. Duan Shi Chuan, Mr. Wang Chen and Mr. Liang Feng and the independent non-executive Directors are Mr. Lau Chun Pong, Mr. Wang Zhi He and Mr. Xu Yuan Jian.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to the Company.

The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the "Latest Listed Company Information" page of the GEM website for at least 7 days from the date of its posting.