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LABIXIAOXIN SNACKS GROUP LIMITED

蠟筆小新休閒食品集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1262)

MAJOR TRANSACTION FURTHER EXTENSION OF LONG STOP DATE

References are made to (i) the circular of Labixiaoxin Snacks Group Limited (the “**Company**”) dated 24 June 2019 in relation to the Disposal (the “**Circular**”) and (ii) the announcements of the Company dated 15 November 2019 and 14 February 2020 in relation to the entering into of the first supplemental agreement to the Transfer Agreement (the “**First Supplemental Agreement**”) and the second supplemental agreement to the Transfer Agreement (the “**Second Supplemental Agreement**”) respectively to extend the Long Stop Date (the “**Extension Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular and the Extension Announcements unless the context otherwise requires.

Pursuant to the Transfer Agreement, Completion is conditional upon the fulfilment of the conditions precedent to the Transfer Agreement on or before the Long Stop Date, being 15 November 2019 or such other date as may be agreed between the Purchaser and the Vendor in writing. As disclosed in the Extension Announcements, the Long Stop Date has been extended to 15 May 2020 or such other date as may be agreed between the Purchaser and the Vendor in writing.

Due to the outbreak of COVID-19 in the PRC, additional time is required by the Purchaser and Vendor for the fulfilment of the conditions precedent to the Transfer Agreement. On 15 May 2020, the Purchaser and the Vendor entered into the third supplemental agreement (the “**Third Supplemental Agreement**”) to the Transfer Agreement (as amended and supplemented by the First Supplemental Agreement and Second Supplemental Agreement), pursuant to which, (i) the Long Stop Date shall be further extended to 31 December 2020 (or such other date as may be agreed between the Purchaser and the Vendor in writing); (ii) in addition to the RMB40 million deposit paid by the Purchaser to the Vendor in accordance with the terms of the Transfer Agreement (as amended and supplemented by the First Supplemental Agreement and the Second Supplemental Agreement), the Purchaser shall pay an additional deposit in an amount of RMB30 million to the Vendor on or before 30 June 2020; and (iii) the amount payable by the Purchaser to the Vendor within seven (7) Business Days after the approval(s) having been obtained from the competent government authority(ies) in relation to the transfer of the FJ Land Right from the Vendor to the Purchaser shall be reduced from HK\$60 million to HK\$30 million. Save as disclosed above, all the other terms and conditions of the Transfer Agreement (as amended and supplemented by the First Supplemental Agreement and Second Supplemental Agreement) remain unchanged and shall continue in full force and effect.

By Order of the Board
Mr. Zheng Yu Huan
Chairman

Hong Kong, 15 May 2020

As at the date of this announcement, the Board comprises eight members, of which Mr. Zheng Yu Long, Mr. Zheng Yu Shuang and Mr. Zheng Yu Huan are the executive Directors, Mr. Li Hung Kong and Mr. Ren Yunan are the non-executive Directors and Mr. Li Zhi Hai, Ms. Sun Kam Ching and Mr. Chung Yau Tong are the independent non-executive Directors.