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嘉士利集團有限公司
Jiashili Group Limited



(incorporated in the Cayman Islands with limited liability)

(Stock code: 1285)

**SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO
ACQUISITION OF THE ENTIRE EQUITY INTEREST IN
GUANGDONG KANGLI FOOD COMPANY LIMITED***

References are respectively made to the Company's announcements dated 10 May 2021, 30 September 2021, 28 December 2021 and 23 September 2022 and circular dated 11 June 2021 (the "**Circular**") in relation to the Acquisition. Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the Circular.

As disclosed in the Company's announcement dated 23 September 2022, the Vendor, the Purchaser and the Target Company (collectively, the "**Parties**") entered into the Third Supplemental Agreement on 23 September 2022. The Board wishes to provide the following supplemental information in relation to the Acquisition.

Corporate reorganisation of the Target Company

As disclosed in the paragraph headed "Information on the Target Company — Corporate information" of the Circular, after entering into of the Equity Transfer Agreement and prior to Completion, the Target Company will undergo a corporate reorganisation, pursuant to which Zhongchen will transfer its entire equity interest in the Target Company to the Vendor (the "**First Equity Transfer**") and inject the Lands into the Target Company (the "**Land Injection**").

The First Equity Transfer will proceed after completion of the Land Injection. As at the date of this announcement, the procedures of tax filing and review and approval of the tax payment by the tax authority in respect of the Land Injection have been completed. It is expected that the new Real Property Ownership Certificate of the Lands will be issued to the Target Company in October 2022 and completion of the Land Injection will take place accordingly.

As the First Equity Transfer involves acquisition of assets of a PRC domestic enterprise by a foreign entity, upon completion of the Land Injection, (i) the parties shall submit notarized documents to the satisfaction of the administration of market regulation to appoint an authorised signatory for execution of the documents regarding change of industry and commerce registration; (ii) the parties shall appoint a competent valuation agency to appraise the value of 100% equity interest in the Target Company (including value of the Lands) and complete the tax review and approval procedures in respect of the First Equity Transfer; and (iii) the Vendor shall conduct relevant filing with the State Administration of Foreign Exchange.

The Acquisition

The transfer of 100% equity interest in the Target Company from the Vendor to the Purchaser pursuant to the terms and condition of the Equity Transfer Agreement (the “**Acquisition**”) will only proceed after completion of the First Equity Transfer. The Parties shall complete the notarization, valuation and tax filing similar as those required under the First Equity Transfer.

It is expected that, barring unforeseen circumstances, the Acquisition will be completed in the third quarter of 2023. However, having considered the persistent impact of the COVID-19 epidemic, the pandemic control measures in the region and the related border control measures since 2020, the Parties intended to spare sufficient time for Completion to take place and therefore extended the Long Stop Date of the Acquisition from 30 September 2022 to 31 December 2023 (or any later date as agreed by the Parties) by entering into the Third Supplemental Agreement. The Parties will use their best effort to expedite Completion.

Regarding the conditions precedent set out in the paragraph headed “The Equity Transfer Agreement — Conditions precedent” of the Circular, as at the date of this announcement, the conditions set out in paragraphs (i) and (v) have been fulfilled, whereas the conditions set out in paragraphs (ii), (iii), (iv) and (vi) have not been fulfilled. Zhongchen and the Vendor confirmed that there has not been in existence any material adverse change in respect of the Target Company and the Lands since the date of the Equity Transfer Agreement and up to the date of this announcement.

Save as disclosed above, all other information and contents disclosed in the Company's announcement dated 23 September 2022 remain unchanged.

The Acquisition is subject to the satisfaction or waiver (as the case may be) of the conditions precedent as set out in the Equity Transfer Agreement and may or may not proceed to Completion. Shareholders and potential investors should exercise caution when dealing in the Shares.

In this announcement, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of names or any descriptions in Chinese which are marked with “” is for identification purpose only.*

By Order of the Board
Jiashili Group Limited
Tan Chaojun
Executive Director

Hong Kong, 30 September 2022

As at the date of this announcement, the Board comprises Mr. Huang Xianming, Mr. Tan Chaojun and Mr. Chen Songhuan, as executive Directors; Mr. Kam Robert, Ms. Ho Man Kay, and Mr. Ma Xiaoqiang as independent non-executive Directors.