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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 advisers.

**If you have sold or transferred** all your shares in **Yantai North Andre Juice Co., Ltd.\*** (烟台北方安德利果汁股份有限公司), you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**烟台北方安德利果汁股份有限公司**

**Yantai North Andre Juice Co., Ltd.\***

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock code : 02218)**

**(1) PROPOSED ANNUAL PROFIT DISTRIBUTION PLAN; AND  
(2) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE  
H SHARES**

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A letter from the Board is set out on pages 3 to 7 of this circular.

The Annual General Meeting and the Class Meeting for Holders of H Shares will be held at 2nd Floor, Andre Building, No. 889 Xincheng Avenue, Muping District, Yantai City, Shandong Province, the PRC separately at 2:00 p.m. and 3:30 p.m. on Tuesday, May 11, 2021.

The notices of the Annual General Meeting and the Class Meeting for Holders of H Shares and relevant forms of proxy for use at such meetings were published on the Hong Kong Stock Exchange's website and the Company's website on April 7, 2021.

Whether or not you are able to attend the respective meetings, you are strongly urged to complete and sign the enclosed forms of proxy in accordance with the instructions printed thereon. For H Shareholders, please return it to the Company's H Share Registrar, Tricor Tengis Limited at 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting(s) or any adjourned meeting(s) (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 relevant meeting(s) or any adjourned meeting(s) should you so wish.

April 9, 2021

\* For identification purpose only

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## DEFINITIONS

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*Unless the context otherwise requires, capitalized terms used in this circular shall have the following meanings:*

“A Shares”	domestic shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange
“Annual General Meeting”	the annual general meeting of the Company for the year ended December 31, 2020 to be held at 2nd Floor, Andre Building, No. 889 Xincheng Avenue, Muping District, Yantai City, Shandong Province, the PRC on Tuesday, May 11, 2021 at 2:00 p.m.
“Articles”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“Class Meetings”	the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares or any of their adjourned meeting(s)
“Class Meeting for Holders of A Shares”	the 2021 second class meeting of Holders of A Shares to be held at 2nd Floor, Andre Building, No. 889 Xincheng Avenue, Muping District, Yantai City, Shandong Province, the PRC, at 3:00 p.m. on Tuesday, May 11, 2021, or any adjourned meeting(s) thereof
“Class Meeting for Holders of H Shares”	the 2021 second class meeting of Holders of H Shares to be held at 2nd Floor, Andre Building, No. 889 Xincheng Avenue, Muping District, Yantai City, Shandong Province, the PRC at 3:30 p.m. on Tuesday, May 11, 2021, or any adjourned meeting(s) thereof
“Company”	Yantai North Andre Juice Co., Ltd.* (烟台北方安德利果汁股份有限公司), a joint stock limited company incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange, respectively
“connected person(s)”	has the meaning ascribed thereto in the Hong Kong Listing Rules
“Directors”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Holders of A Shares”	the holder(s) of A Shares
“Holders of H Shares”	the holder(s) of H Shares

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## DEFINITIONS

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“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and are subscribed for and traded in HK\$
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	April 1, 2021, being the latest practicable date for ascertaining certain information contained in this circular prior to its publication
“PRC”	the People’s Republic of China, for the propose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase General Mandate”	A general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase H Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as of the date of the passing of the relevant resolutions at the Annual General Meeting and the Class Meetings
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the A Share(s) and the H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
“%”	per cent.

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## LETTER FROM THE BOARD

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# 烟台北方安德利果汁股份有限公司 Yantai North Andre Juice Co., Ltd.\*

(a joint stock limited company incorporated in the People's Republic of China)  
(Stock code : 02218)

*Executive Directors:*

Mr. Wang An  
Mr. Zhang Hui  
Mr. Wang Yan Hui

*Non-executive Director:*

Mr. Liu Tsung-Yi

*Independent Non-executive Directors:*

Mr. Jiang Hong Qi  
Mr. Li Wei  
Mr. Li Yao

*Registered Office:*

No. 18 Andre Avenue  
Muping Economic Development Zone  
Yantai City  
Shandong Province  
the PRC

*Principal Place of Business in Hong Kong:*

Flat A  
2/F, Hong Kong Industrial Building  
444-452 Des Voeux Road West  
Shek Tong Tsui  
Hong Kong

April 9, 2021

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED ANNUAL PROFIT DISTRIBUTION PLAN; AND  
(2) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE  
H SHARES**

### 1. INTRODUCTION

References are made to the notices of the Annual General Meeting and the Class Meeting for Holders of H Shares dated April 7, 2021. The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and the Class Meeting for Holders of H Shares to approve, among other matters, (i) proposed annual profit distribution plan; and (ii) proposed grant of general mandate to repurchase H Shares.

### 2. PROPOSED ANNUAL PROFIT DISTRIBUTION PLAN

The Board has resolved to recommend a final dividend of approximately RMB18,365,000 (inclusive of tax), or RMB0.5 per every 10 shares for the year ended December 31, 2020. At the Annual General Meeting, the Company would like to propose an ordinary resolution to declare and pay such final dividend. Final dividend of A Shares will be distributed and paid in RMB, while final dividend of H Shares will be declared in RMB and paid in HKD. The final dividend will be paid to Holders of H Shares whose names

\* For identification purpose only

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## LETTER FROM THE BOARD

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appear on the Company's register of members at the close of business on May 14, 2021. To determine the identity of the Holders of H Shares entitled to receive the final dividend, the register of Holders of H Shares will be closed from May 17, 2021 to May 18, 2021 (both days inclusive) during which no transfer of H Shares will be registered. In order to qualify for entitlement to the proposed final dividend, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share Registrar, Tricor Tengis Limited at 54/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on May 14, 2021. For Holders of A Shares, those whose names appear on the Company register of members at the close of business on July 7, 2021 will be qualified for entitlement to the proposed final dividend. The final dividend is expected to be distributed on July 8, 2021.

### **3. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES**

The Company will propose a special resolution at each of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares to grant the Directors the Repurchase General Mandate to purchase H Shares in issue with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as of the date of the passing of such resolution.

The Company Law of the PRC provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for (i) reducing its share capital; (ii) a merger with another entity that holds the shares of the Company; (iii) granting shares for the employee stock ownership plan or share incentive; (iv) the repurchase is made at the request of its shareholders who disagree with shareholders' resolutions in connection with merger or division of the company; (v) the repurchased shares are used for the corporate bonds convertible into shares of the listed company; or (vi) the repurchase is necessary for maintaining the value of the listed company and the interests of its shareholders. The Articles provide that, subject to the approval of the relevant regulatory authorities and compliance with the Articles, share repurchase may be effected by the Company if such action has become a necessity for maintaining corporate value and the interests of the Shareholders.

The Hong Kong Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the Directors to repurchase H shares of such company that are listed on the Hong Kong Stock Exchange. Such mandate is required under the Articles to be given by way of a special resolution passed by the Shareholders in the general meeting and special resolutions passed by Holders of A Shares and Holders of H Shares in separate class meetings.

As the H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the registration and filing with the competent foreign exchange administrative authority of the PRC or an administrative body authorized thereby is required.

In accordance with the relevant requirements of the Articles applicable to capital reduction, the Company will have to notify its creditors of the passing of such special resolutions and the reduction to the registered capital of the Company that would occur should the Directors decide to exercise the Repurchase General Mandate. Such notification has to be given in writing to the Company's creditors within 10 days after the passing of the resolution in respect of capital reduction and also by way of publication on three occasions of a press announcement within 30 days after the passing of such special resolution. Creditors then

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## LETTER FROM THE BOARD

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have a period of up to 30 days after the Company's written notification or if no such notification has been received, up to 90 days after the first publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

Accordingly, approval is being sought from the Shareholders for a general mandate to repurchase H Shares in issue. In accordance with the legal and regulatory requirements described above, the Directors will convene the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares. At each of such meetings, a special resolution will be proposed to grant to the Directors a general mandate to repurchase H Shares in issue on the Hong Kong Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue as of the date of the passing of such resolution.

The Repurchase General Mandate will be conditional upon:

- (i) the special resolution in respect of the grant of the Repurchase General Mandate being approved at each of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares;
- (ii) the approval of the relevant PRC regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
- (iii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount using internal resources) pursuant to the notification procedure set out in the relevant article of the Articles.

If the conditions are not fulfilled, the Repurchase General Mandate will not be exercisable by the Directors.

The Repurchase General Mandate would expire on the earlier of:

- (iv) the conclusion of the next annual general meeting of the Company following the passing of the relevant special resolution at each of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares;
- (v) the expiration of a period of 12 months following the passing of the relevant special resolution at each of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares; or
- (vi) the date on which the authority granted to the Board set out in the relevant special resolution is revoked or varied by a special resolution of the Shareholders at any general meeting or by a special resolution of Holders of A Shares or Holders of H Shares at their respective class meetings.

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Details of the Repurchase General Mandate are set out in the notices of the Annual General Meeting and the Class Meeting for Holders of H Shares dated April 7, 2021.

An explanatory statement giving certain information regarding the Repurchase General Mandate is set out in Appendix I to this circular.

#### **4. ANNUAL GENERAL MEETING, THE CLASS MEETING FOR HOLDERS OF A SHARES AND THE CLASS MEETING FOR HOLDERS OF H SHARES**

Resolutions will be proposed at the Annual General Meeting to approve, among other matters, (i) proposed annual profit distribution plan; and (ii) proposed grant of general mandate to repurchase H Shares. The resolution in respect of the proposed grant of general mandate to repurchase H Shares will also be proposed at each of the Class Meetings for approval. No Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting or the Class Meetings.

The notices and the relevant forms of proxy regarding the convening of the Annual General Meeting and the Class Meeting for Holders of H Shares at which the resolutions mentioned above will be proposed were published on the Hong Kong Stock Exchange's website and the Company's website on April 7, 2021. Whether or not you are able to attend the respective meetings, you are strongly urged to complete and sign the enclosed forms of proxy in accordance with the instructions printed thereon. For H Shareholders, please return it to the Company's H Share Registrar, Tricor Tengis Limited, 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting(s) or any adjourned meeting(s) (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 meeting(s) or any adjourned meeting(s) should you so wish.

#### **5. CLOSURE OF H SHARE REGISTER OF MEMBERS OF THE COMPANY**

The register of holders of H Shares will be closed from Friday, April 30, 2021 to Tuesday, May 11, 2021 (both days inclusive) during which period no transfer of H Shares will be registered. In order to qualify to attend and vote at the Annual General Meeting and the Class Meeting for Holders of H Shares, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share Registrar, Tricor Tengis Limited, at 54th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, April 29, 2021.

#### **6. VOTING BY POLL**

In accordance with the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notices relating to the convening of the Annual General Meeting and the Class Meetings will be voted by poll.

#### **7. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of



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## LETTER FROM THE BOARD

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their knowledge and belief the information contained in this circular 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 circular misleading.

### **8. RECOMMENDATION**

The Directors consider that the aforesaid resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favor of all the aforesaid resolutions to be proposed at the Annual General Meeting and the Class Meeting for Holders of H Shares (as the case may be) as set out in the notice of the Annual General Meeting and the notice of the Class Meeting for Holders of H Shares.

### **9. ADDITIONAL INFORMATION**

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

By order of the Board  
**Yantai North Andre Juice Co., Ltd.\***  
**Wang An**  
*Chairman*

\* *For identification purpose only*

*This appendix serves as an explanatory statement, as required by the Hong Kong Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase General Mandate.*

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#### **(I) THE HONG KONG LISTING RULES**

The Hong Kong Listing Rules permit companies with a primary listing on the Hong Kong Stock Exchange to repurchase their securities on the Hong Kong Stock Exchange subject to certain restrictions. Repurchases must be funded out of funds legally available for the purpose and in accordance with the company's constitutional documents and the applicable laws of the jurisdiction in which the company is incorporated or otherwise established. Any premium payable on a repurchase over the par value of the shares may be effected out of book balance of distributable profits of the company or proceeds of a new issue of shares made for such purpose.

#### **(II) REASONS FOR REPURCHASE OF H SHARES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase H Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

#### **(III) REGISTERED CAPITAL**

As of the Latest Practicable Date, the registered capital of the Company as filed with the relevant company registration agency of the PRC was RMB367,300,000, comprising 96,764,000 H Shares of RMB1.00 each and 270,536,000 A Shares of RMB1.00 each.

#### **(IV) EXERCISE OF THE REPURCHASE GENERAL MANDATE**

Subject to the passing of the special resolution approving the grant of the Repurchase General Mandate at each of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares, the Directors will be granted the Repurchase General Mandate until the end of the Relevant Period (as defined in the special resolution in each of the notices of Annual General Meeting and the Class Meeting for Holders of H Shares).

Additionally, the exercise of the Repurchase General Mandate is subject to the approvals of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount using internal

resources) pursuant to the notification procedure set out in the relevant article of the Articles. The notification to the creditors will not be issued until the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares to be convened have approved the Repurchase General Mandate by way of special resolutions.

The exercise in full of the Repurchase General Mandate (on the basis of 96,764,000 H Shares in issue as of the Latest Practicable Date and no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares) would result in a maximum of 9,676,400 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total H Shares in issue as of the date of the passing of the relevant resolutions at the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares.

The Repurchase General Mandate would expire on the earlier of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of the relevant special resolutions at the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares;
- (b) the expiration date of the 12-month period following the passing of the relevant special resolutions at the Annual General Meeting, the Class Meeting for Holders of A Shares and the Class Meeting for Holders of H Shares; or
- (c) the date on which the authority granted to the Board set out in the relevant special resolution is revoked or varied by a special resolution of the Shareholders at any general meeting or by holders of A Shares or holders of H Shares at their respective class meetings.

#### **(V) FUNDING OF REPURCHASES**

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles and the applicable laws, rules and regulations of the PRC.

The Company is empowered by the Articles to purchase its H Shares. Any repurchases by the Company may only be made out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a new issue of shares made for such purpose. The Company may not purchase securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time.

Based on the financial position disclosed in the recently published audited accounts for the year ended December 31, 2020, the Directors consider that there will not be any material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase General Mandate is to be exercised in full at any time during the proposed repurchase period. The number of H Shares to be

repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing and in the best interests of the Company.

#### (VI) STATUS OF REPURCHASED H SHARES

The Hong Kong Listing Rules provide that the listing of all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates shall be cancelled and destroyed. Under the PRC laws, the H Shares repurchased by the Company will be cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

#### (VII) H SHARES PRICES

The highest and lowest prices at which the H Shares have been traded on the Hong Kong Stock Exchange during each of the 12 months preceding the Latest Practicable Date were as follows:

	<b>H Share prices</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2020</b>		
April	5.00	4.61
May	5.80	4.98
June	5.30	4.66
July	6.35	4.92
August	7.60	6.00
September	9.00	6.00
October	15.50	6.17
November	9.99	7.61
December	9.30	7.45
<b>2021</b>		
January	7.94	7.00
February	8.33	6.45
March	6.79	6.24
April (up until the Latest Practicable Date)	6.98	6.39

#### (VIII) SUBSTANTIAL SHAREHOLDERS

Immediately after the listing of A Shares (the "A Share Listing") on the Shanghai Stock Exchange on September 18, 2020 and as of the Latest Practicable Date, the interests of substantial Shareholders (as defined in the Hong Kong Listing Rules), were as follows:

Substantial Shareholder	Class of Shares	Number of Shares held	Approximate percentage of total share capital of the Company immediately after the A Share Offering	Approximate percentage of total share capital of the Company as of the Latest Practicable Date
Wang An and parties acting in concert (as defined under the Takeovers Code) with him	A Shares	166,789,960	44.12%	45.41%
	H Shares	17,222,880	4.56%	4.69%
Uni-President Enterprises Corp.	A Shares	63,746,040	16.86%	17.36%
	H Shares	237,000	0.06%	0.06%

**(IX) GENERAL INFORMATION**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company or any of its subsidiaries under the Repurchase General Mandate if such is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to repurchase the H Shares pursuant to the Repurchase General Mandate in accordance with the Hong Kong Listing Rules and the applicable laws of PRC.

No core connected person (as defined in the Hong Kong Listing Rules) of the Company has notified the Company that he has a present intention to sell H Shares to the Company or its subsidiaries, or has undertaken not to do so, if the Repurchase General Mandate is granted and is exercised.

**(X) TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase General Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. Under Rule 26 of Takeovers Code, where two or more persons are acting in concert, and they collectively hold not less than 30%, but not more than 50%, of the voting rights of a company, and any one or more of them acquires additional voting rights and such acquisition has the effect of increasing their collective holding of voting rights of the company by more than 2% from the lowest collective percentage holding of such persons in the 12 month period ending on and inclusive of the date of the relevant acquisition, an obligation to make a mandatory general offer would be triggered.

Assuming that the substantial Shareholders do not dispose of their Shares, if the Repurchase General Mandate is exercised in full, the changes of percentage shareholdings of the substantial Shareholders are set forth as follows:

<b>Substantial Shareholder</b>	<b>As of September 18, 2020 and up to January 5, 2021<sup>Note</sup></b>	<b>As of the Latest Practicable Date</b>	<b>After repurchase</b>
Wang An and parties acting in concert with him	48.68%	50.10%	51.45%
Uni-President Enterprises Corp.	16.93%	17.42%	17.89%

*Note:* The Company repurchased 10,700,000 H Shares (the “**Repurchased H Shares**”) on the Hong Kong Stock Exchange in December 2020 pursuant to the general mandate granted to the Board by the Shareholders at the 2020 first special general meeting, the class meeting for Holders of A Shares and the class meeting for Holders of H Shares on December 1, 2020. Percentage shareholdings of the substantial Shareholders as of September 18, 2020 remained unchanged until January 5, 2021, when the Company cancelled the Repurchased H Shares in accordance with the Hong Kong Listing Rules. Please refer to the announcement of the Company dated January 5, 2021 for details.

Such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors presently have no intention to exercise the Repurchase General Mandate to such an extent as would result in takeover obligations.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase General Mandate whether in whole or in part will not result in less than the relevant prescribed minimum percentage of the Shares being held by the public as required by the Hong Kong Stock Exchange. The Directors have no intention to exercise the Repurchase General Mandate to an extent which may result in a public shareholding of less than such minimum percentage.

The Directors are not aware of any consequences that may arise under the Takeovers Code and/or any similar applicable law of which the Directors are aware, if any, as a result of any repurchases made under the Repurchase General Mandate.

#### **(XI) SHARE REPURCHASES MADE BY THE COMPANY**

In December 2020, the Company repurchased a total of 10,700,000 H Shares with par value of RMB1.00 each on the Hong Kong Stock Exchange at prices ranging from HK\$7.82 to HK\$9.08 per H Share, for a total consideration of HK\$91,857,792 (including the consideration for shares repurchase, stamp duty and commission). Details of such repurchases are set forth as follows:

Date of repurchase	Number of H Shares repurchased	Purchase price per Share	
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
December 8, 2020	1,809,500	9.08	8.41
December 9, 2020	1,361,500	9.00	8.95
December 10, 2020	1,123,000	8.90	8.50
December 11, 2020	1,080,000	8.75	8.45
December 16, 2020	2,524,000	8.34	8.20
December 17, 2020	1,078,000	8.32	8.25
December 18, 2020	524,000	8.30	8.23
December 21, 2020	400,000	8.31	8.20
December 23, 2020	533,000	8.03	7.82
December 24, 2020	<u>267,000</u>	8.10	7.98
<b>Total/Overall</b>	<b><u><u>10,700,000</u></u></b>	9.08	7.82