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CHIA TAI ENTERPRISES INTERNATIONAL LIMITED

正大企業國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3839)

INSIDE INFORMATION

FRAMEWORK AGREEMENT IN RELATION TO POSSIBLE MAJOR TRANSACTION

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Law of Hong Kong).

On 11 May 2022 (after trading hours), Pucheng Chia Tai, a non-wholly owned subsidiary of the Company, entered into the Framework Agreement with the Target Company and the controlling shareholder of the Target Company in relation to the possible subscription and purchase of a majority interest in the Target Company by Pucheng Chia Tai. The Target Company is established under the laws of the PRC and principally engaged in the development and manufacturing of Chinese veterinary medicines.

The Possible Transaction is subject to, among others, Pucheng Chia Tai being satisfied with the due diligence findings in respect of the Target Company and signing of the Definitive Agreement.

It is expected that, if the Possible Transaction proceeds, one or more of the applicable percentage ratios under the Listing Rules in respect of the Possible Transaction will exceed 25% but all of such ratios will be less than 100%. Accordingly, the Possible Transaction, if materialised, may constitute a major transaction of the Company and be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Possible Transaction is subject to a number of conditions. It may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Further announcements will be made by the Company upon any material development in regard to the Possible Transaction as and when necessary or appropriate.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

“Company”	Chia Tai Enterprises International Limited, an exempted company incorporated in Bermuda whose Shares are listed and traded on the Main Board of the Stock Exchange under stock code 3839
“Definitive Agreement”	the formal agreement which may be entered into by Pucheng Chia Tai, the Target Company and the controlling shareholder of the Target Company in relation to the Possible Transaction
“Framework Agreement”	the framework agreement dated 11 May 2022 entered into between Pucheng Chia Tai, the Target Company and the controlling shareholder of the Target Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Possible Transaction”	the possible subscription and purchase of a majority interest in the Target Company by Pucheng Chia Tai as contemplated under the Framework Agreement
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Pucheng Chia Tai”	Pucheng Chia Tai Biochemistry Co., Ltd. (浦城正大生化有限公司), a limited liability company established under the laws of the PRC and a subsidiary of the Company which is indirectly held as to 69.74% by the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	a company established under the laws of the PRC which is principally engaged in the development and manufacturing of Chinese veterinary medicines
“%”	per cent

By order of the Board
Thanakorn Seriburi
Director

Hong Kong, 11 May 2022

As at the date of this announcement, the Board comprises Mr. Soopakij Chearavanont (Chairman and Non-executive Director), Mr. Thirayut Phityaisarakul, Mr. Thanakorn Seriburi, Mr. Nopadol Chiaravanont, Mr. Chawalit Na Muangtoun (each an Executive Director), Mr. Yoichi Ikezoe (Non-executive Director), Mr. Surasak Rounroengrom, Mr. Cheng Yuk Wo and Mr. Edward Ko Ming Tung (each an Independent Non-executive Director).