

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Yashili International Holdings Ltd

雅士利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1230)

PROFIT WARNING

This announcement is made by Yashili International Holdings Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”).

The Company would like to update the shareholders and potential investors of the Company that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2022, which have not been confirmed, reviewed or audited by the Company’s auditors or audit committee and may be subject to adjustment, and other information currently available to the Group’s management, the Group expects to record a loss of not more than RMB250 million for the year ended 31 December 2022, which is mainly attributable to: (a) the COVID-19 pandemic situations in the People’s Republic of China which adversely affected the market; and (b) the increase in production costs as a result of the rising costs of milk powder as raw materials (the “**Statement**”).

Detailed financial information and performance of the Group for the year ended 31 December 2022 will be disclosed in the Company’s annual results announcement for the same period which is expected to be published by the end of March 2023 in accordance with the Listing Rules.

TAKEOVERS CODE IMPLICATIONS

References are made to (i) the announcement dated 6 May 2022 jointly issued by China Mengniu Dairy Company Limited (“**Mengniu**”), Star Future Investment Company Limited (the “**Offeror**”) and the Company, in relation to, among other things, the Privatization Proposal (the “**Joint Announcement**”), (ii) the announcement jointly issued by Mengniu, the Offeror and the Company dated 27 May 2022 in relation to the extension of time for despatch of the Scheme Document, (iii) the announcements dated 27 June 2022, 27 July 2022, 16 September 2022, 14 October 2022, 14 November 2022 and 14 December 2022 jointly issued by Mengniu, the Offeror and the Company in relation to updates on the Privatization Proposal, and (iv) the announcement dated 16 August 2022 jointly issued by Mengniu, the Offeror and the Company in relation to, among other things, updates on the Scheme Pre-Conditions and the amendment to the Scheme Condition (the “**August Update Announcement**”). Unless otherwise specified, capitalized terms used in this section and the warning section shall have the same meanings as those defined in the Joint Announcement.

The Company is currently in the offer period (as defined in the Takeovers Code) with respect to the Privatization Proposal. Pursuant to the Takeovers Code, the Statement is considered to constitute a profit forecast under Rule 10 of the Takeovers Code and should therefore be reported on by the Company’s auditors or accountants and financial advisers in accordance with Rule 10.4 of the Takeovers Code. Taking into account (i) the practical difficulties in terms of the additional time required for the preparation of the reports by the Company’s auditors or accountants and financial advisers; and (ii) the requirements for timely disclosures of inside information under Rule 13.09 of the Listing Rules and Part XIVA of the SFO, the Statement does not meet the standard required by Rule 10 of the Takeovers Code. Pursuant to Practice Note 2 of the Takeovers Code, the Executive is prepared to permit publication of the Statement in this announcement without full compliance with Rule 10 of the Takeovers Code and the reports from the Company’s auditors or accountants and financial advisers on the Statement are required to be included in the next document in connection with the Privatization Proposal to be despatched to the shareholders of the Company, which, if the Privatization Proposal materialises, is expected to be the Scheme Document. If the announcement to be issued by the Company for the consolidated results of the Group for the financial year of 2022 (“**2022 Annual Results Announcement**”) has been published prior to the despatch of the Scheme Document, the requirement under Rule 10 of the Takeovers Code to report on the Statement will be superseded by the publication of the 2022 Annual Results Announcement. Otherwise, the Statement shall be reported on in accordance with Rule 10 of the Takeovers Code and the relevant reports will be included in the Scheme Document.

Shareholders and potential investors of the Company should note that the Statement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Accordingly, shareholders and potential investors of the Company are advised to exercise caution when placing reliance on the Statement in assessing the merits and demerits of the Privatization Proposal, and when dealing in the securities of the Company.

WARNINGS

Shareholders and potential investors of the Company should be aware that the making of the Privatization Proposal is subject to the Scheme Pre-Conditions, and therefore the Privatization Proposal is a possibility only and may or may not be made. Furthermore, completion of the Privatization Proposal and the Scheme is subject to the Scheme Pre-Conditions and the Scheme Conditions as set out in the Joint Announcement and as amended in the August Update Announcement being satisfied (or, where applicable, waived) and thus the Privatization Proposal and the Scheme may or may not become unconditional and may or may not be completed.

Therefore, shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By order of the board of directors of
Yashili International Holdings Ltd
雅士利國際控股有限公司

Yan Zhiyuan

Chief Executive Officer and Executive Director

Hong Kong, 10 January 2023

As at the date of this announcement, the board of directors of the Company comprises: Mr. Jeffrey, Minfang Lu (Chairman), Mr. Qin Peng, Mr. Zhang Ping and Mr. Gu Peiji (alias Philip Gu) as non-executive directors; Mr. Yan Zhiyuan as executive director; and Mr. Mok Wai Bun Ben, Mr. Cheng Shoutai and Mr. Lee Kong Wai Conway as independent non-executive directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.