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**RONGSHI INTERNATIONAL  
INVESTMENT CO., LTD.  
融世國際投資有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*



**Dali Foods Group Company Limited  
達利食品集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3799)**

## **JOINT ANNOUNCEMENT**

**(1) PROPOSAL FOR THE PRIVATISATION OF  
DALI FOODS GROUP COMPANY LIMITED BY  
RONGSHI INTERNATIONAL INVESTMENT CO., LTD  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)**

**(2) PROPOSED WITHDRAWAL OF LISTING OF  
DALI FOODS GROUP COMPANY LIMITED**

**(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT**

## **DESPATCH OF SCHEME DOCUMENT**

**Financial Adviser to the Offeror**



**Independent Financial Adviser to the Independent Board Committee**



## **INTRODUCTION**

Reference is made to (i) the joint announcement issued by Rongshi International Investment Co., Ltd (the “**Offeror**”) and Dali Foods Group Company Limited (the “**Company**”) on 27 June 2023 in relation to, among other things, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under Section 86 of the Companies Act; (ii) the announcement issued by the Company dated 3 July 2023 in relation to, among other things, the appointment of the Independent Financial Adviser; (iii) the joint announcement of the Offeror and the Company dated 18 July 2023 in relation to the extension of time for despatch of the Scheme Document (the “**Extension Announcement**”); and (iv) the scheme document dated 31 July 2023 jointly issued by the Offeror and the Company in relation to the Proposal, the Scheme and the Rollover Arrangement (the “**Scheme Document**”). Unless the context requires otherwise, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Scheme Document.

## **DESPATCH OF SCHEME DOCUMENT**

The Scheme Document together with the notices of the Court Meeting and General Meeting to be held on 23 August 2023 and the relevant proxy forms will be despatched to the Shareholders on 31 July 2023.

The Scheme Document contains, among other things, further details of the Proposal, the Scheme and the Rollover Arrangement, the expected timetable, an explanatory statement as required under the Companies Act and the rules of the Grand Court, information regarding the Offeror and the Company, the letter from the Board, recommendations from the Independent Board Committee with respect to the Proposal, the Scheme and the Rollover Arrangement, the letter of advice from Gram Capital, a notice of the Court Meeting and a notice of the General Meeting and other particulars required by the Takeovers Code.

## **RECOMMENDATION OF THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee, which comprises the following non-executive Directors who are not interested in the Proposal, namely, Ms. HU Xiaoling, Mr. NG Kong Hing, Mr. LIU Xiaobin and Dr. LIN Zhijun, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal, the Scheme and the Rollover Arrangement are, or are not, fair and reasonable and whether to vote in favour of the Proposal, the Scheme and the Rollover Arrangement at the Court Meeting and the General Meeting.

Gram Capital, the Independent Financial Adviser, has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in connection with the Proposal, the Scheme and the Rollover Arrangement.

Gram Capital has advised the Independent Board Committee that it considers that, as far as the Disinterested Shareholders are concerned, the terms of the Proposal, the Scheme and the Rollover Arrangement are fair and reasonable, and accordingly, it advises the Independent Board Committee to recommend the Disinterested Shareholders to vote in favour of the

relevant resolutions which will be proposed (i) at the Court Meeting and the General Meeting to approve the Proposal and the Scheme; and (ii) at the General Meeting to approve the Rollover Arrangement.

The Independent Board Committee, having considered the terms of the Proposal, the Scheme and the Rollover Arrangement, and having taken into account the advice of Gram Capital, and in particular the factors, reasons and recommendations set out in its letter contained in the Scheme Document, considers that the terms of the Proposal, the Scheme and the Rollover Arrangement are fair and reasonable as far as the Disinterested Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Shareholders to vote in favour of the relevant resolutions to be proposed (i) at the Court Meeting and the General Meeting to approve and implement the Proposal and the Scheme; and (ii) at the General Meeting to approve the Rollover Arrangement.

Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee and the advice of Gram Capital in relation to the Proposal, the Scheme and the Rollover Arrangement as set out in the letters from the Independent Board Committee and Gram Capital as contained in the Scheme Document.

## **COURT MEETING AND GENERAL MEETING**

The Court Meeting and the General Meeting are scheduled to be held at 10:00 a.m. and 10:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting), respectively on 23 August 2023 at Room 2601, 26th Floor, One Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong.

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modification).

The General Meeting will be held immediately following the Court Meeting for the purpose of considering and, if thought fit, passing, among other things, (i) the special resolution to approve the Scheme and any reduction of the issued share capital of the Company associated with cancelling and extinguishing the Scheme Shares, (ii) the ordinary resolution to simultaneously maintain the issued share capital of the Company at the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares, credited as fully paid, for issuance to the Offeror, and (iii) the ordinary resolution to approve the Rollover Arrangement.

Notices of the Court Meeting and the General Meeting are contained in the Scheme Document.

An announcement will be made by the Company and the Offeror in relation to the results of the Court Meeting and the General Meeting on 23 August 2023.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the General Meeting, the register of members of the Company will be closed from 18 August 2023 to 23 August 2023 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at Suite 1601, 16/F, Central Tower, 28 Queen’s Road Central, Hong Kong before 4:30 p.m. on 17 August 2023.

## **CONDITIONS OF THE PROPOSAL AND THE SCHEME**

Shareholders and potential investors of the Company should be aware that the Proposal is conditional upon the fulfilment or waiver, as applicable, of the Conditions described in the section headed “4. Conditions to the Proposal and the Scheme” in Part VIII — Explanatory Memorandum of the Scheme Document. All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. Further announcements on any changes regarding the timetable of the Scheme will be made as and when necessary.

## **EXPECTED TIMETABLE**

**Hong Kong Time unless  
indicated otherwise**

Date of despatch of the Scheme Document.....	31 July 2023
Latest time for lodging transfers of Shares in order to become entitled to attend and vote at the Court Meeting and/or the General Meeting .....	4:30 p.m. on 17 August 2023
Register of members of the Company closed for determination of entitlements of Scheme Shareholders to attend and vote at the Court Meeting and of Shareholders to attend and vote at the General Meeting ( <i>Note 1</i> ) .....	From 18 August 2023 to 23 August 2023 (both days inclusive)
Latest time for lodging forms of proxy in respect of ( <i>Note 2</i> )	
Court Meeting .....	10:00 a.m. on 21 August 2023
General Meeting.....	10:30 a.m. on 21 August 2023
Meeting Record Date .....	23 August 2023
Court Meeting ( <i>Note 3</i> ).....	10:00 a.m. on 23 August 2023

**Hong Kong Time unless  
indicated otherwise**

General Meeting ( <i>Note 3</i> ) .....	10:30 a.m. on 23 August 2023 (or, if later, as soon as practicable after the conclusion or adjournment of the Court Meeting)
Announcement of the results of the Court Meeting and the General Meeting posted on the website of the Stock Exchange and the website of the Company .....	No later than 7:00 p.m. on 23 August 2023
Expected latest time for trading in the Shares on the Stock Exchange.....	4:10 p.m. on 24 August 2023
Latest time for lodging transfer of Shares in order to qualify for entitlements under the Scheme .....	4:30 p.m. on 29 August 2023
Register of members of the Company closed for determining Scheme Shareholders qualified for entitlements to the Cancellation Price under the Scheme ( <i>Note 4</i> ).....	From 30 August 2023 onwards
Court hearing of the petition to sanction the Scheme .....	29 August 2023 (Cayman Islands time)
Announcement of the results of the court hearing of the petition to sanction the Scheme, the expected Effective Date and the expected date of withdrawal of listing of Shares on the Stock Exchange.....	At or before 8:30 a.m. on 30 August 2023
Scheme Record Date .....	30 August 2023
Effective Date ( <i>Note 5</i> ).....	30 August 2023 (Cayman Islands time)
Announcement of the Effective Date and the withdrawal of listing of the Shares on the Stock Exchange.....	At or before 8:30 a.m. on 31 August 2023
Expected withdrawal of the listing of Shares on the Stock Exchange becoming effective .....	9:00 a.m. on 1 September 2023
Cheques for cash payment under the Scheme to be despatched ( <i>Note 6</i> ) .....	On or before 8 September 2023
Shareholders should note that the above timetable is subject to change. Further announcement(s) will be made in the event that there is any change.	

*Notes:*

1. The register of members of the Company will be closed during such period for the purpose of determining entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the General Meeting. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. The **pink** form of proxy in respect of the Court Meeting and the white form of proxy in respect of the General Meeting should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged at the Share Registrar at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong by the times and dates stated above. The **pink** form of proxy for use at the Court Meeting should be lodged no later than 48 hours before the time appointed for holding the Court Meeting or any adjournment hereof although it may alternatively be handed to the chairman of the Court Meeting for the Court Meeting. The **white** form of proxy for use at the General Meeting must be lodged no later than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof in order to be accepted. In the case of the **pink** form of proxy in respect of the Court Meeting, if it is not so lodged, it may also be handed to the chairman of the Court Meeting (who shall have absolute discretion as to whether or not to accept it). The **white** form of proxy in respect of the General Meeting will not be valid if it is not so lodged. The completion and return of a form of proxy for the Court Meeting and/or the General Meeting will not preclude a Scheme Shareholder or Shareholder (as the case may be) from attending and voting in person at the relevant meeting or any adjournment thereof if he so wishes. In the event that the Scheme Shareholder or Shareholder (as the case may be) attends and votes at the relevant meeting or any adjournment thereof after having lodged his form of proxy, the returned form of proxy will be revoked by operation of law.
3. For further details relating to the Court Meeting and the General Meeting, please see the notice of Court Meeting set out in Appendix IV to the Scheme Document and the notice of General Meeting set out in Appendix V to the Scheme Document. If a tropical cyclone warning signal No. 8 or above is or is expected to be hoisted or a black rainstorm warning signal or "extreme conditions" caused by super typhoons is or is expected to be in force at any time after 7:00 a.m. on the date of the Court Meeting and the General Meeting, the Court Meeting and the General Meeting may be adjourned. The Company may post an announcement on the respective websites of the Stock Exchange and the Company to notify the Scheme Shareholders and Shareholders (as the case may be) of the date, time and venue of the reconvened meetings.
4. The register of members of the Company will be closed during such period for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
5. The Scheme shall become effective upon all the Conditions set out in the section headed "4. Conditions to the Proposal and the Scheme" in Part VIII — Explanatory Memorandum of the Scheme Document having been fulfilled or (to the extent permitted) waived (as the case may be).
6. Cheques for the cash entitlement in respect of the Cancellation Price will be sent within seven Business Days of the Effective Date by ordinary post addressed to the persons entitled thereto at their respective registered addresses. All such cheques will be posted at the risk of the person(s) entitled thereto and none of the Offeror, the Company, CICC, the Independent Financial Adviser, the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal will be responsible for any loss or delay in despatch.

All references to times and dates in this joint announcement are references to Hong Kong times and dates, unless otherwise stated and other than references to the expected date of the Grand Court hearing of the petition to sanction the Scheme, which is the relevant date in the Cayman Islands. For reference only, Cayman Islands time is 13 hours behind Hong Kong time as at this joint announcement.

## Warnings:

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented, the Scheme may or may not become effective. Shareholders and potential investors should therefore 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.

On behalf of the board  
**Rongshi International Investment Co., Ltd.**  
**XU Shihui**  
*Director*

By order of the Board of  
**Dali Foods Group Company Limited**  
**XU Shihui**  
*Chairman*

Hong Kong, 31 July 2023

*As at the date of this joint announcement, the sole director of the Offeror is Mr. XU Shihui.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors of the Company in their capacities as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the Board of the Company comprises Mr. XU Shihui, Mr. ZHUANG Weiqiang and Ms. XU Yangyang as executive directors; Ms. XU Biying and Ms. HU Xiaoling as non-executive directors; Mr. NG Kong Hing, Mr. LIU Xiaobin and Dr. LIN Zhijun 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 joint announcement (other than any information relating to the Offeror and its concert parties (other than members of the Group)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror in his capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statements in this joint announcement misleading.*