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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 a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Uni-President China Holdings Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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UNI-PRESIDENT CHINA HOLDINGS LTD. 統一企業中國控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 220)

CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders

VINC  城高
Vinco Capital Limited

A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 20 to 21 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 22 to 37 of this circular.

A notice convening the EGM to be held at 10:30 a.m. on Friday, 22 May 2020 (and immediately after the annual general meeting of the Company, which is convened to be held on the same day, having been concluded or adjourned) at Falcon Room, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong is set out on pages 43 to 45 of this circular.

A form of proxy for use by the Shareholders at the EGM is enclosed with this circular for despatch to the Shareholders. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event by 10:30 a.m. (Hong Kong time) on Wednesday, 20 May 2020 or not later than 48 hours before the time appointed for holding the adjourned meeting (if any). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

Please see the section headed "PRECAUTIONARY MEASURES FOR THE EGM" in this circular for measures being taken to try to prevent and control the spread of the COVID-19 at the EGM.

7 May 2020

PRECAUTIONARY MEASURES FOR THE EGM

The Board has made reference to the “Joint Statement in relation to General Meetings in light of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation” jointly issued by the Stock Exchange and the SFC on 1 April 2020 in relation to the arrangement of the EGM.

Voting by proxy in advance of the EGM

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the EGM by appointing the chairman of the EGM as their proxy instead of attending the EGM in person. **Physical attendance is not necessary for the purpose of exercising Shareholders’ rights. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof should they subsequently so wish.**

Preventive measures at the EGM

The Company will implement the following preventive measures at the EGM to safeguard the health and safety of the attending Shareholders, staff and other stakeholders:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendees at the entrance of the EGM venue. Any person with a body temperature of over 37.5 degrees Celsius will be requested to stay in an isolated place for completing the voting procedures.
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the EGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or had physical contact with any person who to their best of knowledge has recently travelled to, any affected countries or areas outside Hong Kong (as per guidelines issued by the Hong Kong Government at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days. Any person who does not comply with this requirement will be requested to stay in an isolated place for completing the voting procedures.

PRECAUTIONARY MEASURES FOR THE EGM

- (iii) Every attendee will be required to wear a surgical face mask throughout the EGM. Please note that no masks will be provided at the EGM venue and attendees should bring and wear their own masks.
- (iv) Seating at the EGM will be arranged so as to reduce interaction between participants.
- (v) No refreshments will be served and there will be no corporate gifts.

The Company will closely monitor the development of the COVID-19 pandemic and any regulations or measures introduced or to be introduced by the Hong Kong Government in relation to COVID-19 pandemic. The Company will ensure that the EGM will be conducted in compliance with the regulations or measures of the Hong Kong Government and Shareholders will not be deprived of their right of voting on the resolutions to be proposed at the EGM. Further announcement(s) will be made by the Company as soon as possible if there is any update to the preventive measures as mentioned above.

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DEFINITIONS

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

“Annual Caps”	the proposed estimated maximum aggregate annual transaction values in respect of the Continuing Connected Transactions contemplated under the 2020 Framework Purchase Agreement for the three years ending 31 December 2023
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Cayman President”	Cayman President Holdings Ltd., a company incorporated in the Cayman Islands, a direct wholly-owned subsidiary of UPE and a controlling shareholder of the Company, who was interested in approximately 70.49% of the Shares as at the Latest Practicable Date
“Company”	Uni-President China Holdings Ltd., an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transactions”	the continuing connected transactions contemplated under the 2020 Framework Purchase Agreement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“COVID-19”	Coronavirus Disease 2019 (COVID-19)
“Director(s)”	director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company convened to be held at 10:30 a.m. on Friday, 22 May 2020 (and immediately after the annual general meeting of the Company, which is convened to be held on the same day, having been concluded or adjourned) for the purpose of considering and, if thought fit, approving the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps)
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Government”	the Government of Hong Kong
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Board Committee”	an independent committee of the Board (which comprises Mr. Chen Sun-Te, Mr. Chen Johnny, Mr. Fan Ren-Da, Anthony and Mr. Lo Peter, being all the independent non-executive Directors) established to advise the Independent Shareholders with regard to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps)
“Independent Financial Adviser” or “Vinc Capital”	Vinc Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders with regard to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps) and the voting actions therefor
“Independent Shareholders”	the Shareholders who do not have any material interest in the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder

DEFINITIONS

“Kai Yu (BVI)”	Kai Yu (BVI) Investment Co., Ltd., a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of UPE
“Latest Practicable Date”	29 April 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“OEM”	original equipment manufacturer/outsourced professional third party manufacturer
“OEM Products”	finished beverage products of the Group manufactured under arrangements with OEM
“Operational Agreements”	the individual agreements which may from time to time be entered into between a member of the Group and a member of UPE Group subject and pursuant to the 2020 Framework Purchase Agreement and an “Operational Agreement” means any of them
“PRC”	the People’s Republic of China
“President (BVI)”	President (BVI) International Investment Holdings Ltd., a company incorporated in the British Virgin Islands, which is indirectly owned by UPE as to 69.37%
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“subsidiaries”	any entity which falls within the definition of “subsidiary” under the Listing Rules or the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong
“UPE”	統一企業股份有限公司 (Uni-President Enterprises Corporation*), a limited liability company incorporated under the laws of Taiwan on 25 August 1967 whose common shares were listed on the Taiwan Stock Exchange Corporation on 28 December 1987 under the stock code 1216, which is the ultimate controlling shareholder of the Company
“UPE Group”	UPE, its subsidiaries and/or any company in the equity capital of which UPE and/or any of its subsidiaries taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or such other threshold as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings from time to time, but excluding member(s) of the Group
“2017 Framework Purchase Agreement”	the framework purchase agreement dated 24 March 2017 entered into between the Company and UPE pursuant to which the Company agreed to purchase and procure the purchase of (on a non-exclusive basis) certain raw materials, packaging materials, finished goods, low-cost consumables and such other goods as may be agreed by the Group and UPE Group and/or their respective members in writing from time to time from UPE Group, as disclosed in the announcements of the Company dated 24 March 2017 and 19 May 2017 and the circular of the Company dated 26 April 2017

DEFINITIONS

“2020 Framework Purchase Agreement” the framework purchase agreement dated 25 March 2020 entered into between the Company and UPE pursuant to which the Company agreed to purchase and procure the purchase of (on a non-exclusive basis) certain raw materials, packaging materials, finished goods and such other goods as may be agreed by the Group and UPE Group and/or their respective members in writing from time to time from UPE Group

“%” per cent.

* *For identification purposes only*

References to time and dates in this circular are to Hong Kong time and dates.

LETTER FROM THE BOARD



UNI-PRESIDENT CHINA HOLDINGS LTD. 統一企業中國控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 220)

Executive Directors:

LO Chih-Hsien (*Chairman*)

LIU Xinhua (*President*)

Non-executive Directors:

CHEN Kuo-Hui

SU Tsung-Ming

Independent non-executive Directors:

CHEN Sun-Te

CHEN Johnny

FAN Ren-Da, Anthony

LO Peter

Registered office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Principal place of business in

Hong Kong:

Unit 703A, 7/F

Golden Centre

188 Des Voeux Road Central

Hong Kong

7 May 2020

To the Shareholders

Dear Sir or Madam

CONTINUING CONNECTED TRANSACTIONS

(I) INTRODUCTION

Reference is made to the announcement of the Company dated 25 March 2020 regarding, among others, the 2020 Framework Purchase Agreement and the continuing connected transactions contemplated thereunder.

LETTER FROM THE BOARD

The purpose of this circular is to:

- (a) provide you with further information relating to the continuing connected transactions contemplated under the 2020 Framework Purchase Agreement;
- (b) other information of the Group as required under the Listing Rules;
- (c) set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders and the recommendation and opinion of the Independent Board Committee after having considered the advice of the Independent Financial Adviser in relation to the continuing connected transactions contemplated under 2020 Framework Purchase Agreement (and the Annual Caps); and
- (d) give you notice of the EGM.

(II) 2020 FRAMEWORK PURCHASE AGREEMENT

Given that the 2017 Framework Purchase Agreement will expire on 31 December 2020 and the Company expects that the continuing connected transactions contemplated thereunder will continue, the Company entered into the 2020 Framework Purchase Agreement with UPE on 25 March 2020.

The principal terms of the 2020 Framework Purchase Agreement are set out as follows:

- Date: 25 March 2020
- Parties: (1) the Company (members of the Group as purchasers);
and
(2) UPE (members of UPE Group as suppliers).
- Term: Subject to the approval by the Independent Shareholders at the EGM, the 2020 Framework Purchase Agreement is for a fixed term of three years from 1 January 2021 to 31 December 2023 (both days inclusive).

LETTER FROM THE BOARD

- Subject matter: Pursuant to the 2020 Framework Purchase Agreement, the Company agrees to purchase and procure members of the Group to agree to purchase, on a non-exclusive basis, from UPE Group, certain raw materials, packaging materials, finished goods and such other goods as may be agreed by the Group and UPE Group and/or their respective members in writing from time to time.
- Operational Agreement(s): Pursuant to the 2020 Framework Purchase Agreement, member(s) of the Group may, as purchaser(s), from time to time during the term of the 2020 Framework Purchase Agreement, enter into separate Operational Agreement(s) (which may be in the form of purchase order(s) and/or purchase agreement(s)) with member(s) of the UPE Group, as supplier(s), in respect of each batch of purchase, setting out the actual transaction arrangement(s) and terms, provided that such Operational Agreement(s) shall always be subject to the terms of the 2020 Framework Purchase Agreement.
- Payment terms: Pursuant to the 2020 Framework Purchase Agreement, the mode of payment and credit terms for the purchase transactions contemplated thereunder shall be on normal commercial terms and in any event no less favourable to the Group than those can be obtained by the Group from independent third parties offering the same or substantially similar product(s) of the same period.

LETTER FROM THE BOARD

Pricing basis:

The prices and terms of the Operational Agreement(s) to be entered into for each batch of purchase transactions contemplated under the 2020 Framework Purchase Agreement shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis between the parties thereto and on the following principles:

- (i) by reference to the prevailing market price of the same or substantially similar products purchase from independent third parties by the Group of the same period, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third party suppliers; and
- (ii) in any event no less favourable to the Group than those offered by independent third party suppliers to the Group in comparable transactions of the same period,

and in accordance with the internal control procedures of the Group, details of which are disclosed in the section headed "(III) INTERNAL CONTROL MEASURES" below in this circular.

Such pricing basis is applicable to all types of products (including OEM products) to be purchased by the Group from UPE Group under the Operational Agreements covered by the 2020 Framework Purchase Agreement.

Other terms:

Pursuant to the 2020 Framework Purchase Agreement, all other terms and conditions for the purchase transactions contemplated thereunder (including but not limited to terms relating to payment, credit period, quality assurance and inspection) shall be on normal commercial terms and in any event no less favourable to the Group than those can be obtained by the Group from independent third parties offering the same or substantially similar product(s) of the same period.

LETTER FROM THE BOARD

Termination: The 2020 Framework Purchase Agreement may be terminated before expiration of its full term upon mutual agreement in writing by the parties thereto or by either party in certain circumstances (including material default by the other party) as set out in the 2020 Framework Purchase Agreement.

Historical aggregate values of purchase transactions

The existing annual caps for the purchase transactions in respect of the 2017 Framework Purchase Agreement and the total actual values of the purchase transactions conducted by the Group with UPE Group pursuant to the 2017 Framework Purchase Agreement for the two years ended 31 December 2018 and 2019 are set out below.

	Year ended 31 December 2018 (RMB'000)	Year ended 31 December 2019 (RMB'000)
Existing annual caps for purchase transactions	4,920,000	5,410,000
Total actual values for purchase transactions (approximate)	3,547,413	3,644,755
Utilisation rate of the existing annual caps (approximate)	72.10%	67.37%

LETTER FROM THE BOARD

Proposed Annual Caps for purchase transactions

The kinds of products to be purchased by the Group from UPE Group pursuant to the 2020 Framework Purchase Agreement are raw materials, packaging materials and finished goods, which include but not limited to (i) OEM Products produced by UPE Group; and (ii) palm oils, white sugar, milk powder, paper-based bowls, dressings and other general supplies as agreed between the parties in writing from time to time, which will be principally used by the Group for the manufacture of its beverages and instant noodles products. These goods will be agreed by the Group and the UPE Group and/or their respective members and may differ from time to time depending on the actual needs of the Group for manufacturing of the Group's products. The proposed Annual Caps in respect of the purchase transactions contemplated under the 2020 Framework Purchase Agreement for each of the three years ending 31 December 2021, 2022 and 2023 are set out below:

	Proposed Annual Caps for purchase transactions for the year ending 31 December		
	2021	2022	2023
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Estimated total values for purchase transactions (<i>Note</i>)	5,100,000	5,210,000	5,350,000

Note: In arriving at the proposed Annual Caps, it is estimated that (i) the total values for purchase transactions for the year ending 31 December 2021 will comprise purchases of OEM Products of approximately RMB3,770,000,000 and purchases of other products of approximately RMB1,330,000,000; (ii) the total values for purchase transactions for the year ending 31 December 2022 will comprise purchases of OEM Products of approximately RMB3,850,000,000 and purchases of other products of approximately RMB1,360,000,000; and (iii) the total values for purchase transactions for the year ending 31 December 2023 will comprise purchases of OEM Products of approximately RMB3,960,000,000 and purchases of other products of approximately RMB1,390,000,000.

LETTER FROM THE BOARD

Basis and assumptions for the proposed Annual Caps

The proposed Annual Caps for the purchase transactions contemplated under the 2020 Framework Purchase Agreement have been determined by reference to:

- the historical figures of the purchases by the Group from UPE Group;
- the estimated future demand of the Group having regard to the estimated market demand and the business development of the Group, especially the introduction of new products in the coming years which will result in a higher demand for raw materials, packaging materials and finished goods by the Group as required for production; and
- the possible increase in the purchase prices associated with the increase in costs of raw materials and/or packaging materials and/or production costs (as the case may be) of UPE Group (due to factors such as inflation in prices of raw materials and labour costs),

and on the principal assumptions that, for the duration of the projected period, there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the businesses of the Group and/or UPE Group.

Taking into account the above factors, the Group expects there will be a stable increase in the demand of purchases from UPE Group and therefore an increase in the estimated maximum aggregate annual transaction values for purchase transactions contemplated under the 2020 Framework Purchase Agreement.

The Directors (including the independent non-executive Directors) are of the view that the proposed Annual Caps in respect of the Continuing Connected Transactions contemplated under the 2020 Framework Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

(III) INTERNAL CONTROL MEASURES

In determining whether the price and/or payment terms offered to or by UPE Group are reasonable or no less favourable to the Group than those offered by or to the independent third parties, the Group will:

- (i) as an active market participant, through market research, obtain sufficient market intelligence to enable it to ascertain the prevailing market rate, payment terms and practices as well as the latest market and independent third party information at any point in time;
- (ii) in respect of procurement of products under the 2020 Framework Purchase Agreement, where sufficient comparable transactions are available, invite quotations from at least two independent suppliers to obtain a reference on the prevailing prices for the relevant products to be procured to the extent that those products are of comparable nature, quality, quantity and condition. Such quotations will be reviewed and evaluated from the commercial perspective by a designated team composed of various relevant departments of the Group and compared against the quotation from UPE Group. The head of the relevant departments will approve the proposed transactions to ensure that the products to be procured from UPE Group are of comparable prices for such products being offered by independent third parties; and
- (iii) for products in respect of which there is no sufficient comparable transaction available, the prices will be determined after arm's length negotiation according to the historical price of the products in the past and by reference to the cost analysis to be conducted.

LETTER FROM THE BOARD

To ensure the actual prices and terms for the Continuing Connected Transactions will be on normal commercial terms and on terms no less favourable to the Group than those available from independent third parties, the Group, by means of internal review by the internal audit department of the Group, will assess, on a periodic and as required basis, whether the products have been purchased in accordance with the terms of the 2020 Framework Purchase Agreement. In addition, the Company has engaged external auditors to conduct an annual review of the Continuing Connected Transactions. Given the Continuing Connected Transactions have to adhere strictly to their respective pricing policies as disclosed in this circular, the Directors (including the independent non-executive Directors), are of the view that the procedures adopted by the Group to govern the Continuing Connected Transactions are sufficient and adequate to ensure that such transactions be conducted under normal commercial terms and are not prejudicial to the interest of the Company and its minority Shareholders.

(IV) INFORMATION REGARDING THE GROUP AND UPE GROUP

The Group

The Company is an investment holding company. The Group is one of the leading manufacturers of beverages and instant noodles products in the PRC and is principally engaged in the manufacturing and sale of beverages and instant noodles in the PRC.

UPE Group

UPE is a limited liability company whose shares are listed on the Taiwan Stock Exchange Corporation and is the ultimate controlling shareholder of the Company. UPE is one of the largest food and beverage conglomerate in Taiwan and UPE Group engages in a wide spectrum of business, including food manufacturing, retail business, logistics, trade and investment with a wide distribution network.

LETTER FROM THE BOARD

(V) REASONS FOR, AND BENEFITS OF, ENTERING INTO THE 2020 FRAMEWORK PURCHASE AGREEMENT

The Group has been having business co-operation with UPE Group since the Company became listed on the Stock Exchange in 2007. During the past years, UPE Group has demonstrated itself as a reliable and trustworthy business partner of the Group. Through the close and long-term co-operation relationship, UPE Group has established a thorough understanding of the standards and requirements of the Group which enable it to provide more reliable goods or products and/or quality services to the Group. The continuation of such continuing connected transactions is essential for the continued operation and growth of the business of the Group.

The Directors believe that the securing of a long-term support with UPE Group, which leverages on its profound experience in the food and beverages industry, wide sales and service network and well-established information system and facilities, is beneficial to the Group. The maintaining of the strategic and continual business relationship with UPE Group would also allow the realisation of synergies in terms of efficiency and operational support and the attainment of economies of scale, and be expected to bring sustainable and stable contribution to the Group's revenue and profitability in the long run.

The purchase transactions (including the purchases of the OEM Products and other raw materials and products) contemplated under the 2020 Framework Purchase Agreement are to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group and UPE Group. The entering into of the 2020 Framework Purchase Agreement would provide a single basis on which the Company will comply with the reporting, announcement, annual review and Independent Shareholders' approval requirements in accordance to the Listing Rules and thereby reduce the administrative burden and costs of the Company to comply with such requirements in relation to the execution of Operational Agreements in respect of the Continuing Connected Transactions.

While the entering into of the 2020 Framework Purchase Agreement is beneficial to the Group as explained above, the Directors acknowledged that the internal control policies adopted by the Group as stated in the section headed "(III) INTERNAL CONTROL MEASURES" above will cost the Group additional resource and manpower to continuously operate the controls and monitor the amount of transactions to ensure the Annual Caps are not exceeded. However, the Directors considered that such costs are minimal to the expense of the Group and therefore considered that the advantages to the Company overwhelm the disadvantages and the effects caused by the disadvantages are minimal to the Company.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that (i) the Continuing Connected Transactions are in the ordinary and usual course of business of the Group and the entering into of the 2020 Framework Purchase Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the 2020 Framework Purchase Agreement are on normal commercial terms and are fair and reasonable; and (iii) the Annual Caps for the three years ending 31 December 2021, 2022 and 2023 are fair and reasonable so far as the Independent Shareholders are concerned.

Depending on the prevailing market conditions, the Group remains open to obtain offers from, and co-operate with, suppliers other than UPE Group with terms and conditions that are more favourable.

(VI) IMPLICATIONS UNDER THE LISTING RULES

In view of the fact that UPE is the ultimate controlling shareholder of the Company, UPE is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2020 Framework Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since each of the applicable percentage ratios in respect of the Annual Caps is more than 5%, the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps) are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirement under Chapter 14A of the Listing Rules.

The Company will comply with the continuing obligations under Chapter 14A of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time and will re-comply with the applicable Listing Rules in the event that any of the Annual Caps is exceeded or when there is a material change to the terms of the 2020 Framework Purchase Agreement pursuant to Rule 14A.54 of the Listing Rules.

LETTER FROM THE BOARD

(VII) APPROVAL OF THE BOARD

None of the Directors had material interests in the Continuing Connected Transactions contemplated under the 2020 Framework Purchase Agreement. On the ground of good corporate governance, Mr. Lo Chih-Hsien, who is a common director of the Company and UPE and held an insignificant shareholding (less than 2%) in UPE as at the date of the announcement and up to the Latest Practicable Date, had abstained from voting in the resolutions of the Board approving the Continuing Connected Transactions contemplated under the 2020 Framework Purchase Agreement.

(VIII) RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 20 to 21 of this circular which contains its recommendation to the Independent Shareholders in relation to the continuing connected transactions contemplated under the 2020 Framework Purchase Agreement (and the Annual Caps) and (ii) the letter from the Independent Financial Adviser set out on pages 22 to 37 of this circular which contains their advice to the Independent Board Committee and the Independent Shareholders in relation to the continuing connected transactions contemplated under the 2020 Framework Purchase Agreement (and the Annual Caps) and the principal factors and reasons considered by them in formulating their advice.

The Independent Board Committee, having taken into account the recommendation of the Independent Financial Adviser, considers that (i) the Continuing Connected Transactions are in the ordinary and usual course of business of the Group and the entering into of the 2020 Framework Purchase Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the 2020 Framework Purchase Agreement are on normal commercial terms and are fair and reasonable; and (iii) the Annual Caps for the three years ending 31 December 2021, 2022 and 2023 are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Board and the Independent Board Committee recommend the Independent Shareholders to vote in favour of the ordinary resolution which will be proposed at the EGM relating to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps).

LETTER FROM THE BOARD

(IX) EGM

A notice convening the EGM to be held at 10:30 a.m. on Friday, 22 May 2020 (and immediately after the annual general meeting of the Company, which is convened to be held on the same day, having been concluded or adjourned) at Falcon Room, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong is set out on pages 43 to 45 of this circular. An ordinary resolution will be proposed to the Shareholders to consider and, if thought fit, approve the Continuing Connected Transactions contemplated under the 2020 Framework Purchase Agreement (and the Annual Caps). The voting at the EGM will be taken by poll.

In accordance with the Listing Rules, any connected person or Shareholder with a material interest in the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps) must abstain from voting on the relevant resolution at the EGM.

As such, (i) Cayman President, a direct wholly-owned subsidiary of UPE and the controlling shareholder of the Company; (ii) President (BVI), an indirect non-wholly owned subsidiary of UPE; and (iii) Kai Yu (BVI), an indirect wholly-owned subsidiary of UPE, and their respective associates (“**Interested Shareholders**”) are required to abstain from voting on the resolution approving the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps) at the EGM. As at the Latest Practicable Date, the Interested Shareholders held 3,056,176,983 Shares, representing approximately 70.76% of the issued share capital of the Company. To the best knowledge, belief and information of the Directors, save for the Interested Shareholders, no other Shareholder is required to abstain from voting at the EGM.

A form of proxy for use by the Shareholders at the EGM is enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as practicable and in any event by 10:30 a.m. (Hong Kong time) on Wednesday, 20 May 2020 or not later than 48 hours before the time appointed for holding the adjourned meeting (if any). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

LETTER FROM THE BOARD

(X) CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 18 May 2020 to Friday, 22 May 2020 (both days inclusive) in order to determine the entitlement of the Shareholders to attend the EGM, during which period no transfer of the Shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 15 May 2020.

(XI) FURTHER INFORMATION

Your attention is also drawn to the information set out in the appendix to this circular and the notice of EGM.

On behalf of the Board
Uni-President China Holdings Ltd.
LO Chih-Hsien
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



UNI-PRESIDENT CHINA HOLDINGS LTD.

統一企業中國控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 220)

7 May 2020

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular dated 7 May 2020 of the Company (“**Circular**”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to advise you in connection with the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps), details of which are set out in the Circular.

Vinco Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps).

We wish to draw your attention to the letter from the Board set out on pages 6 to 19 of the Circular which contains, among others, information on the 2020 Framework Purchase Agreement and the continuing connected transactions contemplated thereunder (and the Annual Caps) as well as the letter from the Independent Financial Adviser set out on pages 22 to 37 of the Circular which contains its advice in respect of the 2020 Framework Purchase Agreement and the continuing connected transactions contemplated thereunder (and the Annual Caps).

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account (i) the past co-operation between the Group and the UPE Group in which the UPE Group demonstrated its reliability and trustworthiness and understanding of the Group's standards and requirements; (ii) that the price and terms offered by the UPE Group shall be no less favourable to the Group than those offered by independent third party offering the same or substantially similar products of the same period; (iii) the internal control measures implemented by the Group; and (iv) the advice of the Independent Financial Adviser as set out in its letter of advice on pages 22 to 37 of the Circular, we concur with the view of the Independent Financial Adviser and consider that (i) the continuing connected transactions contemplated under the 2020 Framework Purchase Agreement are in the ordinary and usual course of business of the Group and the entering into of the 2020 Framework Purchase Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the 2020 Framework Purchase Agreement are on normal commercial terms and are fair and reasonable; and (iii) the Annual Caps for the three years ending 31 December 2021, 2022 and 2023 are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend you to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps).

Yours faithfully

The Independent Board Committee

CHEN Sun-Te

Independent non-executive Director

CHEN Johnny

Independent non-executive Director

FAN Ren-Da, Anthony

Independent non-executive Director

LO Peter

Independent non-executive Director

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from Vinco Capital to the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2020 Framework Purchase Agreement and its respective proposed annual caps for the purpose of incorporation in this circular:



Vinco Capital Limited

Unit 2610, 26/F., The Center
99 Queen's Road Central, Hong Kong

7 May 2020

*To the Independent Board Committee and the Independent Shareholders of
Uni-President China Holdings Ltd.*

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

A. INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2020 Framework Purchase Agreement and their respective proposed annual caps for the three years ending 31 December 2023, details of which are set out in the "Letter from the Board" in the circular (the "**Circular**") issued by the Company to the Shareholders dated 7 May 2020 of which this letter forms part. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

Revision of annual caps of the continuing connected transactions

Reference is made to the announcement of the Company dated 25 March 2020 in relation to, inter alia, the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (the "**Announcement**").

LETTER FROM INDEPENDENT FINANCIAL ADVISER

In view of the prospective expiry of the 2017 Framework Purchase Agreement, the Board announced that on 25 March 2020 (after trading hours), the Company entered into the 2020 Framework Purchase Agreement with UPE, an ultimate controlling shareholder of the Company, for purchases, on a non-exclusive basis, of certain raw materials, packaging materials, finished goods and such other goods as may be agreed by the Group and UPE Group and/or their respective members in writing from time to time for their use or consumption for the three years ending 31 December 2023, and proposed to renew their respective annual caps for the three years ending 31 December 2023.

Based on the 2020 Framework Purchase Agreement, the Company proposed the Annual Caps in respect of the maximum annual payable by the Group to the relevant connected supplier under the 2020 Framework Purchase Agreement for each of the three years ending 31 December 2023 and seek the Independent Shareholder's approval on the Annual Caps as required under Chapter 14A of the Listing Rules.

Listing Rules implication

UPE (as the ultimate controlling shareholder of the Company) is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2020 Framework Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given that each of the applicable percentage ratios in respect of the Annual Caps is more than 5%, the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps) are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirement under Chapter 14A of the Listing Rules.

The Company will comply with the continuing obligations under Chapter 14A of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time and will re-comply with the applicable Listing Rules in the event that any of the Annual Caps is exceeded or when there is material change to the terms of the 2020 Framework Purchase Agreement pursuant to Rule 14A.54 of the Listing Rules.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Mr. Chen Sun-Te, Mr. Chen Johnny, Mr. Fan Ren-Da, Anthony and Mr. Lo Peter, the independent non-executive Directors, have been appointed as members of the Independent Board Committee to advise the Independent Shareholders as to whether (i) the 2020 Framework Purchase Agreement has been entered into by the Group within its ordinary and usual course of business on normal commercial terms and is fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Annual Caps are reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) to advise the Independent Shareholders whether to vote in favour of the 2020 Framework Purchase Agreement and the Annual Caps.

In our capacity as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders for the purpose of the Listing Rules, our role is to give an independent opinion as to whether transactions contemplated under the 2020 Framework Purchase Agreement and its respective Annual Caps for the three years ending 31 December 2023 are fair and reasonable so far as the Independent Shareholders are concerned, whether such terms are on normal commercial terms or better and in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

Our Independence

We have been appointed and approved by the Board, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. As at the Latest Practicable Date, we were not aware of any relationships or interest between us and the Company or any parties that could be reasonably be regarded as hindrance to our independence as defined under Rule 13.80 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2020 Framework Purchase Agreement and the Annual Caps for the three years ending 31 December 2023. We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates, and accordingly, are eligible to give independent advice and recommendations. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser to the Independent Board Committee and Shareholders, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates. We are not aware of the existence of or change in any circumstances that would affect our independence. We have not acted as a financial adviser to the Company in the last two years. Accordingly, we consider that we are eligible to give independent advice on the terms of the 2020 Framework Purchase Agreement and the Annual Caps for the three years ending 31 December 2023.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

B. BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the terms of the 2020 Framework Purchase Agreement and the Annual Caps, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries. We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at as at the date of the Circular and that all expectations and intentions of the Directors, the management of the Company and its subsidiaries, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided to us by the Directors and the management of the Company and its subsidiaries. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed in the Circular.

We consider that we have been provided with, and we have reviewed sufficient information to reach an informed view, to justify relying on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinion. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors and the management of the Company and its subsidiaries. We have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Group or its future prospects.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed all relevant information and documents available as at the Latest Practicable Date, among others : (i) the announcement in relation to the annual results of the Company for the year ended 31 December 2019 dated 25 March 2020; (ii) the interim report of the Company for the six months ended 30 June 2019; (iii) the annual report of the Company for the year ended 31 December 2018; (iv) the Announcement; (v) historical transactions between the Group and all connected persons under the 2017 Framework Purchase Agreement and their samples of transaction documents; (vi) the basis and assumptions of the transactions contemplated under the 2020 Framework Purchase Agreement; (vii) the administrative measures for the Connected Continuing Transactions; (viii) calculation basis and assumptions considered by the Group; and (ix) the minutes of the meeting of the board of directors of the Company dated 25 March 2020 which are made available to us and enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our advice. Based on the foregoing, we confirm that we have taken all reasonable steps, which are applicable to the terms of the 2020 Framework Purchase Agreement and the Annual Caps, as referred to in Rule 13.80 of the Listing Rules (including the notes thereto).

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in respect of the terms of the 2020 Framework Purchase Agreement and the Annual Caps for the three years ending 31 December 2023 and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

C. PRINCIPAL FACTORS AND REASON CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and Independent Shareholders in respect of the terms of the 2020 Framework Purchase Agreement and the Annual Caps for the three years ending 31 December 2023, we have taken into account the principal factors and reasons set out below:

1. Background

i. Information of the Company

The Company is an investment holding company. The Group is one of the leading manufacturers of beverage and instant noodles products in the PRC and is principally engaged in the manufacturing and sale of beverage and instant noodles in the PRC.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

ii. Information on UPE

UPE is a limited liability company whose shares are listed on the Taiwan Stock Exchange Corporation and is the ultimate controlling shareholder of the Company. UPE is one of the largest food and beverage conglomerate in Taiwan and UPE Group engages in a wide spectrum of business, including food manufacturing, retail business, logistics, trade and investment with a wide distribution network.

2. Reasons for and benefits of the 2020 Framework Purchase Agreement

As disclosed in the Letter from the Board in the Circular, the Group has been having business co-operation with UPE Group since the Company became listed on the Stock Exchange in 2007. During the past years, UPE Group has demonstrated itself as a reliable and trustworthy business partner of the Group. Through the close and long-term co-operation relationship, UPE Group has established a thorough understanding of the standards and requirements of the Group which enable it to provide more reliable goods or products and/or quality services to the Group. The continuation of such continuing connected transactions is essential for the continued operation and growth of the business of the Group.

In view of the expiry of the 2017 Framework Purchase Agreement, the Company has entered the 2020 Framework Purchase Agreement in order to renew the above mentioned framework agreement for a term of three years with effect from 1 January 2021 to 31 December 2023 (both days inclusive).

Also, as disclosed in the Letter from the Board in the Circular, the Directors believe that the securing of a long-term support with UPE Group, which leverages on its profound experience in the food and beverage industry, wide sales and service network and well-established information system and facilities, is beneficial to the Group. The maintaining of the strategic and continual business relationship with UPE Group would also allow the realisation of synergies in terms of efficiency and operational support and the attainment of economies of scale, and be expected to bring sustainable and stable contribution to the Group's revenue and profitability in the long run. Having a long term and steady relationship with the suppliers is important to the Group as it enables stability in the supply to the Group which in turn avoids any unnecessary disruption to the Group's business and guarantees a smooth operation of the Group. As such, we are of the view that the Group can maintain long term business relationship with UPE Group by entering into the 2020 Framework Purchase Agreement.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Having considered the above, and particularly, the entering into the 2020 Framework Purchase Agreement will (i) maintain the Group's long term business relationship with UPE Group and enable the stability in the supply to the Group which in turn ensures a smooth operation of the Group's distribution business and (ii) bring sustainable and stable contribution to the Group's revenue and profitability in the long run, we are of the view that the entering into the 2020 Framework Purchase Agreement, together with the adoption of the Annual Caps, is conducted in the ordinary and usual course of the Group's business and is in the interests of both the Company and the Shareholders as a whole.

Principal terms of the 2020 Framework Purchase Agreement

- 1. Date:** 25 March 2020
- 2. Parties:** (1) The Company (members of the Group as purchasers); and (2) UPE (members of UPE Group as suppliers).
- 3. Term:** Subject to the approval by the Independent Shareholders at the EGM, the 2020 Framework Purchase Agreement is for a fixed term of three years from 1 January 2021 to 31 December 2023 (both days inclusive),
- 4. Subject matter:** Pursuant to the 2020 Framework Purchase Agreement, the Company agrees to purchase and procure members of the Group to agree to purchase, on a non-exclusive basis, from UPE Group, certain raw materials, packaging materials, finished goods and such other goods as may be agreed by the Group and UPE Group and/or their respective members in writing from time to time.
- 5. Operational Agreement(s):** Pursuant to the 2020 Framework Purchase Agreement, member(s) of the Group may, as purchaser(s), from time to time during the term of the 2020 Framework Purchase Agreement, enter into separate Operational Agreement(s) (which may be in the form of purchase order(s) and/or purchase agreement(s)) with member(s) of the UPE Group, as supplier(s), in respect of each batch of purchase, setting out the actual transaction arrangement(s) and terms, provided that such Operational Agreement(s) shall always be subject to the terms of the 2020 Framework Purchase Agreement.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

6. **Payment terms:** Pursuant to the 2020 Framework Purchase Agreement, the mode of payment and credit terms for the purchase transactions contemplated thereunder shall be on normal commercial terms and in any event no less favourable to the Group than those can be obtained by the Group from independent third parties offering the same or substantially similar product(s) of the same period.
7. **Pricing basis:** The prices and terms of the Operational Agreement(s) to be entered into for each batch of purchase transactions contemplated under the 2020 Framework Purchase Agreement shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis between the parties thereto and on the following principles:
- (i) by reference to the prevailing market price of the same or substantially similar products purchase from independent third parties by the Group of the same period, taking into account the price of the same or substantially similar products with comparable order quantities and quality offered by independent third party suppliers; and
 - (ii) in any event no less favourable to the Group than those offered by independent third party suppliers to the Group in comparable transactions of the same period,

and in accordance with the internal control procedures of the Group, details of which are disclosed in the section headed "(III) INTERNAL CONTROL MEASURES" in the Circular.

Such pricing basis is applicable to all types of products (including OEM products) to be purchased by the Group from UPE Group under the Operational Agreements covered by the 2020 Framework Purchase Agreement.

8. **Other terms:** Pursuant to the 2020 Framework Purchase Agreement, all other terms and conditions for the purchase transactions contemplated thereunder (including but not limited to terms relating to payment, credit period, quality assurance and inspection) shall be on normal commercial terms and in any event no less favourable to the Group than those can be obtained by the Group from independent third parties offering the same or substantially similar product(s) of the same period.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

9. **Termination:** The 2020 Framework Purchase Agreement may be terminated before expiration of its full term upon mutual agreement in writing by the parties thereto or by either party in certain circumstances (including material default by the other party) as set out in the 2020 Framework Purchase Agreement.

Regarding the pricing policy on purchase of products from UPE Group, we have reviewed other continuing connected transactions in relation to purchases made by other listed companies from their connected persons and noted that their pricing policies were similar to the above under the 2020 Framework Purchase Agreement, it is not uncommon that listed companies on the Stock Exchange will obtain quotations from at least two independent suppliers to assess whether the purchase of similar products from the connected person is on normal commercial terms. Also, the Group has adopted the above pricing policy in the past and we have also reviewed the lists of transactions conducted pursuant to the 2017 Framework Purchase Agreement covering the period from 1 January 2018 to 29 February 2020 and selected samples of purchase invoice and their relevant contracts for the purchase of the products. We have randomly selected transactions of each type of products including certain raw materials, packaging materials and finished goods from companies which its purchased amount from UPE Group for the year ended 31 December 2019 is not less than 18% of the total amount for each type of products purchased from UPE Group respectively. The selected companies represented approximately 29% of the total amount of transactions for the two years ended 31 December 2019 and two months ended 29 February 2020 contemplated under the 2017 Framework Purchase Agreement and the selection is considered to be sufficient for sampling use of understanding whether the terms of the purchase transactions conducted by the Company with UPE Group are fair and reasonable. As confirmed with the management of the Group that the Company would determine the prices and terms of the purchase transactions as contemplated under the 2020 Framework Purchase Agreement in the ordinary course of business on normal commercial terms and negotiated on an arm's length basis by reference to the prevailing market price of the same or substantially similar products available from independent third parties to the Group of the same period, taking into account of the price of the same or substantially similar products with comparable order quantities and quality offered by independent third party suppliers, conduct a search on the market price of similar products sold by other independent third parties and consider these references in relation to the unit price for similar products in the market. We noted that such prices and terms shall in any event be no less favourable to the Group than those offered by independent third party suppliers to the Group in comparable transactions of the same period. We have also reviewed the quotations offered by two independent suppliers that the price of the products offered by UPE Group was no less favourable than those offered by other independent suppliers. As such, we are of the view that such arrangement is fair and reasonable, is on normal commercial terms and is in the interests of the Company and Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As mentioned above, we have obtained 21 samples of purchase invoices issued by UPE Group to the Group in relation to the transactions under the 2017 Framework Purchase Agreement and also the corresponding purchase information on similar products with UPE Group and other independent suppliers. We note that (i) all transaction samples were attached with quotations from at least two independent third parties; (ii) the prices of the products offered by UPE Group to the Group were lower than or equivalent to that of the independent third party suppliers; (iii) the credit terms offered by UPE Group to the Group were equivalent or more favourable than the terms offered by independent third party suppliers. In light of the above, we consider that the prices and terms offered by UPE Group was no less favourable to the Group than those offered by independent third party suppliers to the Group in comparable transactions of the same period.

In the light of the above and in particular that: (i) the pricing policy of the Group is similar to those of other listed companies; (ii) the unit prices and the terms of purchase offered by UPE Group are no less favourable than those offered by other independent suppliers; and (iii) the payment term of the Group has no significant inconsistency with the market practice, we are of the view that the terms of the 2020 Framework Purchase Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Basis of the Annual Caps in respect of the 2020 Framework Purchase Agreement

Review of historical figures

The following table sets out the historical transaction amounts and the existing annual caps in respect of the purchases under the 2017 Framework Purchase Agreement for the two years ended 31 December 2018 and 31 December 2019:

	For the year ended 31 December 2018 (RMB'000)	For the year ended 31 December 2019 (RMB'000)
Continuing connected transactions		
Actual transaction amount	3,547,413	3,644,755
Approximate % of increase as compared to the previous year	1.73%	2.74%
Existing annual caps	4,920,000	5,410,000
Utilisation rate (based on the existing annual caps)	72.10%	67.37%

For the two years ended 31 December 2018 and 31 December 2019, the total amount of historical transactions of products purchased by the Group from UPE Group were approximately RMB3,547,413,000 and RMB3,644,755,000 respectively. As at the Latest Practicable Date, the existing annual caps for the purchase transactions in respect of the 2017 Framework Purchase Agreement were not exceeded.

Annual Caps

The kinds of products to be purchased by the Group from UPE Group pursuant to the 2020 Framework Purchase Agreement are raw materials, packaging materials and finished goods, which include but not limited to (i) OEM Products produced by UPE Group; and (ii) palm oils, white sugar, milk powder, paper-based bowls, dressings and other general supplies as agreed between the parties in writing from time to time, which will be principally used by the Group for the manufacture of its beverages and instant noodles products. These goods will be agreed by the Group and the UPE Group and/or their respective members and may differ from time to time depending on the actual needs of the Group for manufacturing of the Group's products.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following table sets out the respective Annual Caps of the Continuing Connected Transactions for the three years ending 31 December 2023:

	For the year ending 31 December 2021 <i>(RMB'000)</i>	For the year ending 31 December 2022 <i>(RMB'000)</i>	For the year ending 31 December 2023 <i>(RMB'000)</i>
2020 Framework Purchase Agreement			
Annual Caps	5,100,000	5,210,000	5,350,000

In our assessment of the reasonableness of the Annual Caps under the 2020 Framework Purchase Agreement, we have reviewed the estimation of the Group on the total amount of purchases from UPE Group for the three years ending 31 December 2023 and the underlying basis and assumptions respectively. As stated in the Letter from the Board in the Circular, the Directors have taken into account the following factors in arriving at the Annual Caps under the 2020 Purchase Framework Agreement:

- (i) the historical figures of the purchases by the Group from UPE Group;
- (ii) the estimated future demand of the Group having regard to the estimated market demand and the business development of the Group, especially the introduction of new products in the coming years which will result in a higher demand for raw materials, packaging materials and finished goods by the Group as required for production; and
- (iii) the possible increase in the purchase prices associated with the increase in costs of raw material and/or packaging materials and/or production costs (as the case may be) of UPE Group (due to factors such as inflation in prices of raw materials and labour costs),

and on the principal assumptions that, for the duration of the projected period, there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the businesses of the Group and/or UPE Group.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Taking into account the above factors, the Group expects there will be a stable increase in the demand of purchases from UPE Group and therefore an increase in the estimated maximum aggregate annual transaction values for purchase transactions contemplated under the 2020 Framework Purchase Agreement.

We have discussed with the Company regarding the above factors and concur with the Company's view that the Annual Caps in respect of the Continuing Connected Transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking the following factors into consideration:

- (i) the estimated volume of the purchase is expected to be increased by 2.5% annually during the three years ending 31 December 2023 taking into account of the average increase of 2.5% in historical transactions of the two years from 1 January 2018 to 31 December 2019;
- (ii) there being a new additional connected supplier who would be expected to supply finished goods for the three years ending 31 December 2023 under the 2020 Framework Purchase Agreement;
- (iii) as confirmed by management of the Group, there are new products to be introduced every year which will result in a higher demand for raw materials, packaging materials and finished goods from UPE Group. Pursuant to both the interim report for the six months ended 30 June 2019 and the annual report for the year ended 31 December 2018, the Company constantly introduced new products to enhance their brand awareness and market coverage;
- (iv) pursuant to the news published by the government of the PRC (<http://www.gov.cn/>) on 12 December 2019, some provinces like Hebei, Liaoning and Fujian began to implement new minimum wage standards and hence the cost of products to be purchased from UPE Group would be expected to be higher;
- (v) with the upgrading of quality of life and the growing concern for health, green living and the pursuit of taste, the Company set a new standard of premium package for its products to provide customers with more outstanding products, and is expected to result in higher costs of raw materials and packaging materials;

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (vi) according to the report of produce and sale and investment forecast analysis on china soft drink industry* (中國飲料行業產銷需求與投資預測分析報告) issued by an industry research consultant, Qian Zhan* (前瞻產業研究院) and the statistical report of the PRC on national economic and social development 2019 (中華人民共和國2019年國民經濟和社會發展統計公報) dated 28 February 2020 issued by the national bureau of statistics of the PRC* (國家統計局), there is an annual growth of 6.9% in the total production in the Mainland for the year ended 31 December 2018 and a growth of 10.4% for the year ended 31 December 2019; and
- (vii) a buffer of approximately 20% of the Annual Caps was determined with reference to the above factors as discussed in points (ii) to (vi).

Conclusion

Based on the factors and reasons discussed above, we are of the view that the Annual Caps of the 2020 Framework Purchase Agreement were set by the Company after due and careful consideration and are reasonable so far as the Shareholders are concerned and in the interests of both the Company and the Shareholders as whole.

D. INTERNAL CONTROL MEASURES GOVERNING THE 2020 FRAMEWORK PURCHASE AGREEMENT

As confirmed by the Directors, the Company will adopt the following internal control procedures to determine whether the price and/or payment terms offered to or by UPE Group are reasonable or no less favourable to the Group than those offered by or to the independent third parties:

- (i) The Group as an active market participant, will through market research, obtain sufficient market intelligence to enable it to ascertain the prevailing market rate, payment terms and practices as well as the latest market and independent third party information at any point in time. According to the selected samples, we noted that the Company would compare the terms offered by at least two independent suppliers and UPE Group respectively before entering into the purchase transaction. As such, we are of the view that the Company has access to the prevailing market rate, payment terms and practices to determine the purchases to be made with UPE Group is reasonable and no less favourable to the Group than those offered by the independent third parties.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

- (ii) In respect of procurement of products under the 2020 Framework Purchase Agreement, where sufficient comparable transactions are available, invite quotations from at least two independent suppliers to obtain a reference on the prevailing prices for the relevant products to be procured to the extent that those products are of comparable nature, quality, quantity and condition. Such quotations will be reviewed and evaluated from the commercial perspective by a designated team composed of various relevant departments of the Group and compared against the quotation from UPE Group. The head of the relevant departments will approve the proposed transactions to ensure that the products to be procured from UPE Group are of comparable prices for such products being offered by independent third parties. We have reviewed the approval records regarding the entering into purchase contracts with UPE Group under the 2017 Framework Purchase Agreement and noted that the quotations from UPE Group and at least two independent suppliers would be evaluated by the initiator, head of project team and head of procurement team.
- (iii) For products in respect of which there is no sufficient comparable transaction available, the prices will be determined after arm's length negotiation according to the historical price of the products supplied in the past and by reference to the cost analysis to be conducted. As confirmed with the management of the Company, there was no unavailable market information for the Company to compare the prices and payment terms before entering into the purchase transactions.
- (iv) An internal review will be performed by the internal audit department of the Group, which will access, on a periodic and as required basis, whether the products have been purchased in accordance with the terms of the 2020 Framework Purchase Agreement. With reference to the internal audit report provided by the Company, we noted that the internal audit department would select samples covering various types of purchased products and evaluate whether the transactions were conducted under terms of the 2020 Framework Purchase Agreement.

Furthermore, the Company has engaged external auditors to conduct an annual review of the continuing connected transactions under the 2017 Framework Purchase Agreement. We have obtained the reports regarding the continuing connected transactions dated 18 March 2019 and 25 March 2020 respectively which stated that the purchase transactions with UPE Group for the years ended 31 December 2018 and 31 December 2019 did not exceed the existing annual caps.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

In light of the above control procedures to be imposed on the Continuing Connected Transactions, we concur with the view of the Directors (including the independent non-executive Directors) that the procedures adopted by the Group to govern the Continuing Connected Transactions Are sufficient and adequate to ensure that such transactions be conducted under normal commercial terms and are not prejudicial to the interest of the Company and its minority Shareholders.

E. RECOMMENDATION

Having taken the above principal factors and reasons, we considered that (i) the Continuing Connected Transactions are in the ordinary and usual course of business of the Group and the entering into of the 2020 Framework Purchase Agreement is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the 2020 Framework Purchase Agreement are on normal commercial terms and are fair and reasonable; and (iii) the Annual Caps for the three years ending 31 December 2021, 2022 and 2023 are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM relating to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder (and the Annual Caps).

Yours faithfully,
For and on behalf of
Vinco Capital Limited
Alister Chung
Managing Director

Note: Mr. Alister Chung is a licensed person registered with the Securities and Future Commission of Hong Kong and a responsible officer of Vinco Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong for over 10 years.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 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.

2. DISCLOSURE OF INTERESTS

(A) Directors' and chief executive's interests

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) entered into the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) were as follows:

Long positions in the shares of associated corporation

Name of associated corporation	Name of Director	Number of shares			Corporate interest	Total	Percentage of shareholding as at the Latest Practicable Date <i>(approximate)</i>
		Personal interest	child under 18 or spouse	Interest of			
UPE	Lo Chih-Hsien	4,059,095	93,402,447		-	97,461,542	1.72%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) entered into the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

(B) Substantial shareholders' or others' interests

As at the Latest Practicable Date, so far as was known to any Director, the following parties (other than the Directors and chief executive of the Company) had interests or short positions in the Shares, underlying Shares or debenture of the Company which were required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO or, who were, directly or indirectly, to be interested in 10% or more of the issued voting shares of any other member of the Company.

Name	Capacity	Number of ordinary Shares	Percentage of shareholding as at the Latest Practicable Date <i>(approximate)</i>
UPE <i>(Note 2)</i>	Interest of controlled corporations	3,056,176,983 <i>(Note 1)</i>	70.76%
Cayman President	Beneficial owner	3,044,508,000	70.49%

Note:

1. Out of 3,056,176,983 Shares, 3,044,508,000 Shares were held by Cayman President, which is a direct wholly-owned subsidiary of UPE, 2,445,983 Shares were held by President (BVI), which is indirectly owned by UPE as to 69.37% and 9,223,000 Shares were held by Kai Yu (BVI), which is indirectly wholly-owned by UPE. Accordingly, UPE was deemed to be interested in all the Shares respectively held by Cayman President, President (BVI) and Kai Yu (BVI) by virtue of the SFO.
2. As at the Latest Practicable Date, Mr. Lo Chih-Hsien, an executive Director and the chairman of the Company, held an insignificant shareholding (less than 2%) in UPE and he was also a director of UPE; and each of Mr. Su Tsung-Ming and Mr. Chen Kuo-Hui was a non-executive Director and a member of the management team of UPE.

3. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their respective close associates had interests in businesses, other than being a Director and their respective close associates, which compete or are likely to compete, either directly or indirectly, with the businesses of the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules, as if the Directors and their respective close associates were controlling shareholders of the Company.

4. MATERIAL ADVERSE CHANGE

Since the outbreak of COVID-19 pandemic in early 2020, a series of precautionary and epidemic control measures have been implemented in the PRC, including, but not limited to, extension of the Chinese New Year holiday nationwide, suspension of work in certain regions, travel restrictions, quarantine arrangements, heightening of hygiene and epidemic prevention requirements in factories and offices and encouraged social distancing. It is expected that such measures would impose a temporary and limited impact on the transportation and production cost of the Group in certain regions. As at the Latest Practicable Date, the Group was not aware of any significant effect on its businesses as a result of the outbreak of COVID-19 pandemic. The Group will continue to monitor and evaluate the impacts may be brought to it by the outbreak of COVID-19 pandemic.

Save as disclosed above and as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date to which the latest published audited accounts of the Group were made up.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the Company or any member of the Group within one year without payment of compensation (other than statutory compensation)).

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date:

- (a) none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the businesses of the Group; and
- (b) none of the Directors had any direct or indirect interest in any asset which, since 31 December 2019 (being the date to which the latest published audited financial statements of the Group were made up), had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. QUALIFICATION AND CONSENT OF EXPERT

The following sets out the qualification of the expert who has given an opinion or advice which is included in this circular:

Name	Qualification
Vinco Capital	a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Vinco Capital did not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Vinco Capital did not have any interest, direct or indirect, in any assets which had been, since 31 December 2019 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group.

Vinco Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Unit 703A, 7/F., Golden Centre, 188 Des Voeux Road Central, Hong Kong during business hours (except Saturdays and public holidays) from 9:00 a.m. to 12:30 p.m. and from 1:30 p.m. to 6:00 p.m. from the date of this circular up to and including the date of the EGM:

- (a) the 2017 Framework Purchase Agreement;
- (b) the 2020 Framework Purchase Agreement;
- (c) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (d) the letter from Independent Financial Adviser, the text of which is set out in this circular;
- (e) the written consent referred to in paragraph headed “7. QUALIFICATION AND CONSENT OF EXPERT” of this appendix; and
- (f) this circular.

9. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

NOTICE OF EGM



UNI-PRESIDENT CHINA HOLDINGS LTD. 統一企業中國控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 220)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**Meeting**”) of Uni-President China Holdings Ltd. (“**Company**”) will be held at 10:30 a.m. on Friday, 22 May 2020 (and immediately after the annual general meeting of the Company, which is convened to be held on the same day, having been concluded or adjourned) at Falcon Room, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong for the purposes of considering and, if thought fit, passing (with or without modifications), the following resolution (“**Resolution**”) as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the entering into of the 2020 Framework Purchase Agreement (a copy of which has been produced to the meeting marked “A” and signed by the chairman of the Meeting for the purpose of identification) and the Continuing Connected Transactions contemplated thereunder are hereby approved, ratified and confirmed and the Annual Caps set out in the circular (“**Circular**”) to shareholders of the Company dated 7 May 2020 be and are hereby approved (capitalised terms as used in this resolution shall have the same meaning as those defined in the Circular); and

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- (b) the Directors acting together or by committee, or any Director acting individually, be and is/are hereby authorised to take all steps necessary on behalf of the Company whatever he or they may, in his/their absolute discretion, consider necessary, desirable or expedient for the purpose of, or in connection with, the implementing and/or to giving effect to the 2020 Framework Purchase Agreement and the Continuing Connected Transactions contemplated thereunder.”

On behalf of the Board
Uni-President China Holdings Ltd.
LO Chih-Hsien
Chairman

7 May 2020

Registered office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104, Cayman Islands

Principal place of business in

Hong Kong:
Unit 703A, 7/F, Golden Centre
188 Des Voeux Road Central
Hong Kong

Notes:

1. The Board has made reference to the “Joint Statement in relation to General Meetings in light of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation” jointly issued by The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong on 1 April 2020 in relation to the arrangement of the Meeting. The Company will implement certain preventive measures at the Meeting, the details of which are set out in the section headed “PRECAUTIONARY MEASURES FOR THE EGM” in the Circular, to safeguard the health and safety of the attending Shareholders, staff and other stakeholders.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person (who must be an individual) as his/her/its proxy to attend and vote instead of him/her/it and a proxy so appointed shall have the same right as the member to speak at the Meeting. A proxy needs not be a member of the Company. A member (whether or not a recognised clearing house) may appoint any number of proxies to attend in his/her/its stead at the Meeting.
3. In the case of joint registered holders of shares of the Company (“Shares”), any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such Share as if he/she/it were solely entitled thereto, but if more than one of such joint registered holders are present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of such Shares, or his/her/its proxy, shall alone be entitled to vote in respect thereof.

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4. The Company does not in any way wish to diminish the opportunity available to the members of the Company to exercise their rights and to vote, but is conscious of the pressing need to protect the members from possible exposure to the Coronavirus Disease 2019 pandemic. For the health and safety of the members, the Company would like to encourage members to exercise their right to vote at the Meeting by appointing the chairman of the Meeting as their proxy instead of attending the Meeting in person. **Physical attendance is not necessary for the purpose of exercising shareholders' rights.**
5. In order to be valid, the form of proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer, attorney or other person duly authorised to sign the same, and must be deposited with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) by 10:30 a.m. (Hong Kong time) on Wednesday, 20 May 2020 or not later than 48 hours before the time fixed for holding the adjourned meeting (if any).
6. In order to determine the right to attend the Meeting, the register of members of the Company will be closed from Monday, 18 May 2020 to Friday, 22 May 2020 (both days inclusive), during which period no transfer of the Shares will be effected. In order to be qualified for the attendance of the Meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at the above address no later than 4:30 p.m. on Friday, 15 May 2020.
7. A form of proxy for use at the Meeting is enclosed with the circular of the Company dated 7 May 2020. Completion and return of the form of proxy should not preclude a member from attending and voting in person at the Meeting or any adjournment thereof and in such event, the form of proxy shall be deemed to be revoked.
8. The Resolution will be voted by way of poll as required by the Listing Rules.

As at the date of this notice, the Board comprised Mr. Lo Chih-Hsien and Mr. Liu Xinhua as executive directors; Mr. Chen Kuo-Hui and Mr. Su Tsung-Ming as non-executive directors; and Mr. Chen Sun-Te, Mr. Chen Johnny, Mr. Fan Ren-Da, Anthony and Mr. Lo Peter as independent non-executive directors.