

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



**Xiabuxiabu Catering Management (China) Holdings Co., Ltd.**  
**呷哺呷哺餐飲管理(中國)控股有限公司**

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

**(Stock Code: 520)**

**DISCLOSEABLE AND CONNECTED TRANSACTION**

**THE AGREEMENT**

The Board is pleased to announce that on 17 April 2025 (after trading hours), the Company entered into the Agreement with Mr. Ho pursuant to which the Company shall conditionally acquire, and Mr. Ho shall conditionally sell, the Sale Equity at a consideration of RMB89 million.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.06 of the Listing Rules in respect of the Acquisition are more than 5% but all of which are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Mr. Ho is the chairman of the Board, an executive Director and the Controlling Shareholder, and thus a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Agreement exceed 5%, the Agreement is subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

The Board is pleased to announce that on 17 April 2025, the Company entered into the Agreement with Mr. Ho pursuant to which the Company shall conditionally acquire, and Mr. Ho shall conditionally sell, the Sale Equity at a consideration of RMB89 million.

## **THE AGREEMENT**

### **Date**

17 April 2025

### **Parties**

- (1) The Company as purchaser; and
- (2) Mr. Ho as seller

### **Subject matter**

Pursuant to the Agreement, the Company shall conditionally acquire, and Mr. Ho shall conditionally sell, the Sale Equity at a consideration of RMB89 million.

### **Consideration**

Pursuant to the Agreement, the consideration for the Acquisition was RMB89 million, which was determined after arm's length negotiations between the Company and Mr. Ho with reference to the valuation of the Sale Equity by an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited in the amount of RMB89 million as at 31 December 2024 based on the market approach.

### **Conditions precedent**

Completion is subject to the following conditions precedent being satisfied or waived:

- (i) the Company having obtained the Independent Shareholders' approval at the EGM for the Agreement and the transactions contemplated thereunder;
- (ii) the Company having obtained all other necessary consents and approvals for approving the Agreement and the transactions contemplated thereunder;

- (iii) Mr. Ho having obtained all necessary consents and approvals for approving the Agreement and the transactions contemplated thereunder (if required); and
- (iv) the representations made by Mr. Ho under the Agreement are true and correct in all aspects and not misleading.

The Company may waive conditions (iii) and (iv) and Mr. Ho may waive condition (ii). Condition (i) is not capable of being waived by any party to the Agreement.

If any of the conditions is not satisfied or waived on the Long Stop Date, (i) the Agreement shall lapse and be of no further effect (save for certain clauses as specified in the Agreement); and (ii) neither the Company nor Mr. Ho shall have any liability and obligation to each other save for any antecedent breach of any confidentiality obligations as agreed among them in connection with the Acquisition.

### **Completion**

Completion shall take place on the next business day after the date on which all the conditions set out above are fulfilled or waived, or such other date as the Company and Mr. Ho may agree.

As at the date of this announcement, the Target Company was held as to 60% by the Company and 40% by Mr. Ho. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and will continue to be consolidated into the financial results of the Group.

The Group has been conducting transactions with Xiabu (HK) Food (details of which are set out in the Framework Purchase Agreement) which are connected transactions of the Company. Upon Completion, the Target Company and its subsidiaries (including Xiabu (HK) Food) will cease to be connected persons of the Company, as such, the transactions between the Group and Xiabu (HK) Food will no longer be connected transactions of the Company.

### **INFORMATION OF THE PARTIES**

The Company is incorporated in the Cayman Islands as an exempted company with limited liability which shares have been listed on the Main Board of the Stock Exchange since 17 December 2014. The Group is a leading casual restaurant operator in the PRC, focusing primarily on providing bar-style hotpot cuisine and offering customers a fast-casual dining experience.

Mr. Ho is the chairman of the Board, an executive Director and the Controlling Shareholder.

## INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the Cayman Islands with limited liability and is an investment holding company. The Target Company was a joint venture incorporated by the Company and Mr. Ho in 2016 with a total issued share capital of US\$1,000,000 as at the date of this announcement, of which US\$600,000 was contributed by the Company and US\$400,000 was contributed by Mr. Ho. For further details of the Target Company, please refer to the announcement of the Company dated 18 October 2016.

As the date of this announcement, the Target Company directly wholly-owns Xiabu (HK) Food, which is a company incorporated in Hong Kong and is principally engaged in investment holding. Xiabu (HK) Food in turn has four wholly-owned subsidiaries established in the PRC with limited liability namely, (i) Xiabu (China) Food which is principally engaged in the research, development, production and sale of Condiment Products; (ii) 呷哺呷哺(上海)食品有限公司 (Xiabuxiabu (Shanghai) Food Co., Ltd.\*); (iii) 呷哺呷哺(上海)食品貿易有限公司 (Xiabuxiabu (Shanghai) Food Trading Co., Ltd.\*); and (iv) 北京呷哺呷哺食品有限公司 (Beijing Xiabuxiabu Food Co., Ltd.\*) where (ii) to (iv) are all principally engaged in food sales, and it also owns 50% interest in a joint venture, 日辰食品(天津)有限公司 (Nichen Food (Tianjin) Co., Ltd.\*) which is established in the PRC and principally engaged in food sales.

Set out below is the unaudited consolidated financial information of the Target Group for the financial years ended 31 December 2023 and 2024, respectively:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	<b>2024</b>
	<i>RMB</i>	<i>RMB</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net profit before taxation	16,946,450	22,467,620
Net profit after taxation	10,424,985	18,497,034

Based on the unaudited consolidated financial information of the Target Group, the total assets value and net assets value of the Target Group as at 31 December 2024 were approximately RMB208,190,012 and RMB94,827,818, respectively.

## **REASONS AND BENEFITS FOR ENTERING INTO THE AGREEMENT**

The Company considers that the Acquisition could increase the net profit attributable to the owner of the Company as 100% of the profits of the Target Group will be consolidated into the Group's financial statements. The Acquisition also represents the Company's confidence in the future prospects of the business of Condiment Products in which the Target Group is principally engaged, which is expected to create long-term returns for the Shareholders.

The Target Group offers a variety of Condiment Products comprising soup bases, dipping sauces, seasoning sauces and products and various compound condiments, and products with gift-wrapping and limited editions which target at mid to high-end customers, and it has established a nationwide distribution network in the PRC, which covers 27 provinces, municipalities, and autonomous regions across the PRC, over 400 supermarket chains, and more than 10,000 traditional retail outlets (including convenience stores, community shops, and fresh food stores) as at 31 December 2024. Since the Covid-19 pandemic, prepackaged foods have gained considerable traction, especially among busy individuals eager to cook at home. The sales turnover of the hotpot condiments has been growing, driven by a growing trend of customers enjoying hotpot meals at home. The hotpot condiments provide a quick and simple option for enjoying home-cooked flavors. By increasing its stake in the Target Group, the Group is well-positioned to serve both dine-in and dine-out customer segments, fostering a balanced and diversified business model in the catering industry.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and will continue to be consolidated into the financial results of the Group. The Condiment Products segment of the Group has continued to generate profits consecutively for the three years ended 31 December 2024. Considering the profit-making performance of the Target Company as the core operating non-wholly owned subsidiary of the Group's Condiment Products segment, the Acquisition is expected to enhance the Group's long-term financial performance and bring positive effect on earnings and financial performance of the Company upon Completion.

Taking into account the well-established business model of the Target Group, its profitable performance in the previous years and the expected Group's balanced and diversified business model after the Completion, the Board (excluding the independent non-executive Directors, who will provide their view in the circular after considering the letter from the Independent Financial Adviser) considers that the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable, are not entered in the ordinary and usual course of business of the Group but are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios under Rule 14.06 of the Listing Rules in respect of the Acquisition are more than 5% but all of which are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Mr. Ho is the chairman of the Board, an executive Director and the Controlling Shareholder, and thus a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Agreement exceed 5%, the Agreement is subject to the reporting, annual review, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Ho is materially interested in the transactions contemplated under the Agreement and Ms. Chen, a non-executive Director, is the spouse of Mr. Ho, both Mr. Ho and Ms. Chen have abstained from voting on the relevant Board resolution in respect of the Agreement. Save for Mr. Ho and Ms. Chen, none of the other Directors has any material interest in the Agreement and was required to abstain from voting on the relevant Board resolution in respect of the Agreement.

## **GENERAL**

The Company will convene and hold the EGM for the purpose of, among other things, considering, and, if thought fit, approving the Agreement and the transactions contemplated thereunder. Voting at the EGM will be conducted by way of poll.

Any Shareholders or their respective associates with a material interest in the Agreement and the transactions contemplated thereunder shall abstain from voting at the EGM. As at the date of this announcement, Mr. Ho, individually or through trust arrangement, held 38.84% of the total number of Shares. Thus, Mr. Ho and his associates shall abstain from voting in respect of the resolution for approving the Agreement and the transactions contemplated thereunder. Save as disclosed above, as at the date of this announcement, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no other Shareholder is required under the Listing Rules to abstain from voting at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder.

A circular containing, among others, (i) further details of the Agreement; (ii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iii) recommendation from the Independent Board Committee to the Independent Shareholders; and (iv) a notice of the EGM, will be uploaded to the websites of the Stock Exchange and the Company in due course. As additional time is required to finalise certain information contained in the circular, the Company expects to upload the circular on or around 16 May 2025.

## DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Equity as contemplated in the Agreement
“Agreement”	the sale and purchase agreement entered into between the Company and Mr. Ho dated 17 April 2025 in respect of the Acquisition
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Xiabuxiabu Catering Management (China) Holdings Co., Ltd. (呷哺呷哺餐飲管理(中國)控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition
“Condiment Products”	soup bases, dipping sauces, seasoning sauces and products and various compound condiments, and products with gift-wrapping and limited editions which target at mid to high-end customers
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	the controlling shareholder of the Company defined under the Listing Rules
“Director(s)”	the director(s) of the Company

“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated thereunder
“Framework Purchase Agreement”	the framework purchase agreement entered into between 呷哺呷哺投資集團有限公司(Xiabuxiabu Investment Holding Co., Ltd.*, a wholly-owned subsidiary of the Company) (formerly known as 呷哺呷哺投資有限公司(Xiabuxiabu Investment Co., Ltd.*)) and Xiabu (HK) Food dated 22 December 2023
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Hon Ping Cho Terence, Ms. Cheung Sze Man, Mr. Kot Man Tat and Mr. Huang Cheng-Chung, established to advise the Independent Shareholders on the Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Octal Capital Limited, being appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders who are not interested in or involved in the Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	31 December 2025
“Mr. Ho”	Mr. Ho Kuang-Chi (賀光啓), the chairman of the Board, an executive Director and the Controlling Shareholder
“Ms. Chen”	Ms. Chen Su-Yin (陳素英), a non-executive Director and the spouse of Mr. Ho
“PRC”	People’s Republic of China



“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	40% equity interest owned by Mr. Ho in the Target Company
“Share(s)”	ordinary share(s) in the capital of the Company with nominal value of US\$0.000025 each and listed on the Main Board of the Stock Exchange
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Xiabuxiabu (China) Food Holdings Co. Ltd., a company incorporated in the Cayman Islands with limited liability and is owned as to 60% by the Company and 40% by Mr. Ho
“Target Group”	the Target Company and its subsidiaries
“Xiabu (HK) Food”	Xiabuxiabu (HK) Food Holdings Co., Ltd., a company incorporated in Hong Kong with limited liability and is wholly-owned by the Target Company
“Xiabu (China) Food”	呷哺呷哺(中國)食品有限公司(Xiabuxiabu (China) Food Co., Ltd*), a company established in the PRC with limited liability and is wholly-owned by the Target Company
“%”	per cent

\* *for identification purposes only*

By order of the board  
**Xiabuxiabu Catering Management (China) Holdings Co., Ltd.**  
**HO Kuang-Chi**  
*Chairman*

Hong Kong, 17 April 2025

*As at the date of this announcement, the board of directors of the Company comprises Mr. HO Kuang-Chi and Mr. FENG Hui-Huang as executive Directors; Ms. CHEN Su-Yin as non-executive Director; and Mr. HON Ping Cho Terence, Ms. CHEUNG Sze Man, Mr. KOT Man Tat and Mr. HUANG Cheng-Chung as independent non-executive Directors.*