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CHINA FOODS LIMITED
中國食品有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 506)

Financial Adviser to the Company



**COMPLETION OF MAJOR TRANSACTIONS
IN RELATION TO
THE COCA-COLA BOTTLING OPERATIONS IN MAINLAND CHINA**

Reference is made to the announcements of China Foods Limited (the “**Company**”) dated 10 February 2016, 23 August 2016, 17 November 2016, 24 November 2016 and 16 December 2016, and the circular of the Company dated 21 December 2016 (the “**Circular**”) in relation to, among other things, the acquisitions by the CCBL Purchaser of the Swire-CCBL Sale Equity Interest and the KO-CCBL Sale Equity Interests and the disposals of the Public Sale Interests through the Public Sale. Unless the context otherwise requires, capitalised terms used in this announcement have the same meanings as those defined in the Circular.

The Board is pleased to announce that the Acquisitions and the Disposals were completed on 1 April 2017 (except for the disposal by the Group to Swire of the interest in one of the Public Sale Companies, the Coca-Cola bottling unit of Shanghai Shen-Mei Beverage and Food Co., Ltd (上海申美飲料食品有限公司可口可樂裝瓶部), pending the satisfaction of certain conditions).

Following the completion of the Acquisitions and the Disposals:

- (i) each of the Swire-CCBL Target Company and the KO-CCBL Target Companies has become a subsidiary of the Company and their financial results will be consolidated into the financial statements of the Group; and

- (ii) each of Hainan COFCO Coca-Cola Beverages Limited (海南中糧可口可樂飲料有限公司), COFCO Coca-Cola Beverages (Jiangxi) Limited (中糧可口可樂飲料(江西)有限公司) and Zhanjiang COFCO Coca-Cola Beverages Limited (湛江中糧可口可樂飲料有限公司) has ceased to be a subsidiary of the Company.

To facilitate the smooth transition of the Target Companies operations to the CCBL Purchaser, on 1 April 2017, KO and its associates (as service providers), the relevant Target Companies and certain subsidiaries of the Group (as service recipients) entered into certain transitional services agreements. Since KO is a connected person of the Company at the subsidiary level under the Listing Rules, such transitional services agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios (as defined under the Listing Rules) in respect of such transitional services agreements calculated on an aggregate basis are less than 1%, the transactions under such transitional services agreements are fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(b) of the Listing Rules.

By Order of the Board
China Foods Limited
Ma Jianping
Chairman

Beijing, 2 April 2017

As at the date of this announcement, the Board comprises: Mr. Ma Jianping as the chairman of the Board and a non-executive Director; Mr. Jiang Guojin, Ms. Luan Xiuju, and Mr. Zhou Chenguang as executive Directors; Mr. Qin Yelong and Ms. Xiao Jianping as non-executive Directors; and Messrs. Stephen Edward Clark, Li Hung Kwan, Alfred and Yuen Tin Fan, Francis as independent non-executive Directors.