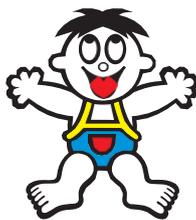


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WANT WANT CHINA HOLDINGS LIMITED

中國旺旺控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0151)

CONTINUING CONNECTED TRANSACTIONS

RENEWED FRAMEWORK AGREEMENT REGARDING “WATER GOD (水神)” BRANDED ANTISEPTIC AND SANITIZING PRODUCTS

THE RENEWED FRAMEWORK AGREEMENT

On 28 April 2023, the Company and San Want entered into a Renewed Framework Agreement for a term of two years expiring on 31 March 2025, pursuant to which San Want Group agreed to sell, and the Group agreed to purchase, the Products from San Want Group for onward sale and distribution during the term of the Renewed Framework Agreement.

LISTING RULES IMPLICATIONS

Mr. Tsai, the chairman, chief executive officer, an executive Director and the ultimate controlling shareholder of the Company, is also the ultimate controlling shareholder of San Want. As such, San Want is an associate of Mr. Tsai and hence a connected person of the Company within the meaning of the Listing Rules. Accordingly, the transactions contemplated under the Renewed Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio in respect of the continuing connected transactions contemplated under the Renewed Framework Agreement is more than 0.1% but less than 5%, such transactions are subject to reporting, annual review and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE RENEWED FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 30 November 2021 in relation to (i) the processing and sales of certain Products (being “Water God (水神)” branded antiseptic liquids) by the Group to San Want Group, and (ii) the purchase of Products from San Want Group for the Group’s onward sale and distribution pursuant to the Framework Agreement, which expired on 31 March 2023.

The Board is pleased to announce that on 28 April 2023, the Company and San Want entered into a Renewed Framework Agreement for a term of two years from 1 April 2023 to 31 March 2025 (both dates inclusive), pursuant to which San Want Group agreed to sell, and the Group agreed to purchase, the Products from San Want Group for onward sale and distribution through the Group’s distribution channels during the term of the Renewed Framework Agreement. The principal terms of the Renewed Framework Agreement are set out below.

Date of agreement : 28 April 2023

Parties : (1) The Company
(2) San Want

Members of the Group and subsidiaries of San Want may enter into separate agreement(s)/purchase orders which set out details of the Product, price, quantity, date and place of delivery and other terms pursuant to the Renewed Framework Agreement.

Term : 1 April 2023 to 31 March 2025

Products : “Water God (水神)” branded antiseptic and sanitizing products, mainly including antiseptic liquids, wipes, feminine hygiene wash, antiseptic sprays, mouthwash and other consumables.

Pricing Terms : San Want Group shall offer the most favourable selling price to the Group, which shall represent a discount to San Want Group’s recommended retail prices to end consumers for the Products in different packaging specifications (inclusive of value-added tax), and such discount shall not be less than the discount offered by San Want Group to its other customers.

Since there are more than a dozen of items included in the Products and the discounts applied vary materially for different items of different specifications and targeted distribution channels. The Board takes the view that the specific discounts offered to the Group are commercially sensitive, and the disclosure of the same in the announcement may not be meaningful to shareholders of the Company either.

In assessing the discounts offered by San Want Group to the Group, the Directors (including the independent non-executive Directors) were provided with a schedule setting out the discounts offered by San Want Group to the Group and its other customers for each item of the Products before entering into the

Renewed Framework Agreement. As part of the internal control procedures, the finance department of the Company will perform this procedure again every six months during the term of the Renewed Framework Agreement to ensure that the discounts offered to the Group are not less than the discounts offered by San Want Group to its other customers.

The pricing terms of the transactions contemplated under the Renewed Framework Agreement were negotiated on an arm's length basis, and determined in the ordinary and usual course of business on normal commercial terms or better, and are no less favourable to the Group than those available with independent third parties.

Payment Terms : Members of the Group shall pay for the Products under the Renewed Framework Agreement after the completion of inspection for acceptance and within 30 days after receipt of invoices for the relevant Products.

PROPOSED ANNUAL CAPS

The proposed annual caps for the transactions contemplated under the Renewed Framework Agreement for the years ending 31 March 2024 and 31 March 2025 are RMB50,000,000 and RMB60,000,000, respectively. The annual caps were determined after taking into account the purchase price of the Products and the expected purchase quantities of the Products to be onward sold and distributed through the Group's distribution channels during the term of the Renewed Framework Agreement.

HISTORICAL TRANSACTION AMOUNTS

The historical annual cap in respect of the purchase of Products from San Want Group for onward sale and distribution under the Framework Agreement for each of the years ended 31 March 2022 and 31 March 2023 was RMB70,000,000. The actual amounts of Products purchased by the Group for the years ended 31 March 2022 and 31 March 2023 were RMB66,901,000 and RMB28,693,000, respectively, which did not exceed the relevant annual caps.

REASONS AND BENEFITS OF THE RENEWED FRAMEWORK AGREEMENT

In view of the increasing awareness of personal hygiene, and as consumers' demand for cleaning and sanitizing products in the post-pandemic era is expected to continue to grow, the Group intends to, by entering into the Renewed Framework Agreement, continue to leverage on its existing sales and distribution capabilities, to serve such consumer needs for cleaning and sanitizing products while providing the Group with a source of revenue.

The Directors (including the independent non-executive Directors but excluding the interested Directors who were absent from the relevant Board meeting and accordingly did not vote on the resolutions to approve the Renewed Framework Agreement) are of the view that the transactions contemplated under the Renewed Framework Agreement are conducted on arm's length basis, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and that the terms of the Renewed Framework Agreement, including

the annual caps for the transactions contemplated thereunder, are fair and reasonable and such transactions are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. Tsai, the chairman, chief executive officer, an executive Director and the ultimate controlling shareholder of the Company, is also the ultimate controlling shareholder of San Want. As such, San Want is an associate of Mr. Tsai and hence a connected person of the Company within the meaning of the Listing Rules. Accordingly, the transactions contemplated under the Renewed Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio in respect of the continuing connected transactions contemplated under the Renewed Framework Agreement is more than 0.1% but less than 5%, such transactions are subject to reporting, annual review and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Pursuant to the relevant requirements under the Listing Rules and the articles of association of the Company, Mr. Tsai, Mr. Tsai Shao-Chung, Mr. Tsai Wang-Chia, Mr. Huang Yung-Sung, Mr. Chu Chi-Wen, Mr. Tsai Ming-Hui, Mr. Maki Haruo and Mr. Cheng Wen-Hsien are considered to have an interest in the transactions contemplated under the Renewed Framework Agreement. For this reason, each of them did not attend the relevant Board meeting and accordingly did not vote on the Board resolutions approving the transactions.

INFORMATION ON THE COMPANY AND SAN WANT

The Company is an investment holding company. The principal business activities of the Group are the manufacturing, distribution and sale of rice crackers, dairy products and beverages, snack foods and other products.

San Want is a company incorporated in Barbados with limited liability. Its principal business activities are the operation of hospital, hotel and property businesses and other investments.

DEFINITIONS

In this announcement, the following words and expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors of the Company
“Company”	Want Want China Holdings Limited, a company incorporated as an exempted company with limited liability under the laws of the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	director(s) of the Company
“Framework Agreement”	the framework agreement dated 30 November 2021 between the Company and San Want pursuant to which the Group agreed to (i) produce and sell to San Want Group in respect of certain Products (being “Water God (水神)” branded antiseptic liquids), and (ii) purchase the Products from San Want Group for onward sale and distribution during the term of 2 years from 1 April 2021 to 31 March 2023 (both dates inclusive)
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Tsai”	Mr. Tsai Eng-Meng, the chairman, chief executive officer, an executive Director and the ultimate controlling shareholder of the Company
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules
“Products”	“Water God (水神)” branded antiseptic and sanitizing products, mainly including antiseptic liquids, wipes, feminine hygiene wash, antiseptic sprays, mouthwash and other consumables
“PRC”	the People’s Republic of China
“Renewed Framework Agreement”	the framework agreement dated 28 April 2023 between the Company and San Want pursuant to which the Group agreed to purchase the Products from San Want Group for onward sale and distribution during the term of 2 years from 1 April 2023 to 31 March 2025 (both dates inclusive)
“RMB”	Renminbi, the lawful currency of the PRC
“San Want”	San Want Holdings Limited, a company incorporated in Barbados with limited liability
“San Want Group”	San Want and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
Want Want China Holdings Limited
TSAI Eng-Meng
Chairman

Hong Kong, 28 April 2023

As at the date of this announcement, the executive Directors are Mr. Tsai Eng-Meng, Mr. Tsai Shao-Chung, Mr. Tsai Wang-Chia, Mr. Huang Yung-Sung, Mr. Chu Chi-Wen, Mr. Tsai Ming-Hui and Ms. Lai Hong Yee; the non-executive Directors are Mr. Liao Ching-Tsun, Mr. Maki Haruo and Mr. Cheng Wen-Hsien; and the independent non-executive Directors are Dr. Pei Kerwei, Mr. Hsieh Tien-Jen, Mr. Lee Kwok Ming, Mr. Pan Chih-Chiang and Mrs. Kong Ho Pui King, Stella.