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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)

CONNECTED TRANSACTION

Tenancy Agreement

On 8 October 2021, Shanghai Want Want, as tenant, entered into the Tenancy Agreement with Shanghai Sun-Want, as landlord, in respect of the lease of the Premises in Shanghai for a term of one year and six months from 1 October 2021 to 31 March 2023 (both dates inclusive).

According to HKFRS 16 “Leases”, the Group, as the lessee, is required to recognise the lease under the Tenancy Agreement as a right-of-use asset and lease liability in the consolidated balance sheet of the Group. As such, entering into the Tenancy Agreement and the transaction contemplated thereunder would be regarded as an acquisition of asset by the Group pursuant to the Listing Rules. The value of the right-of-use asset to be recognized by the Group under the Tenancy Agreement is estimated to be approximately RMB489,470 which is unaudited and may be subject to adjustment in the future.

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 Shanghai Sun-Want. As such, Shanghai Sun-Want is an associate of Mr. Tsai and a connected person of the Company within the meaning of the Listing Rules and the lease transaction contemplated under the Tenancy Agreement constitutes a connected transaction of the Company.

Reference is made to the announcement of the Company dated 15 January 2021 in relation to the renewal of the leases of certain properties under the Property Lease Agreements. Pursuant to Rule 14A.81 of the Listing Rules, the lease transactions contemplated under the Property Lease Agreements and the Tenancy Agreement should be aggregated for the purpose of computing the relevant percentage ratios. As all of the applicable percentage ratios on an aggregated basis are more than 0.1% but less than 5%, the lease transaction contemplated under the Tenancy Agreement is subject to the reporting and announcement requirements but is exempt from the independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules.

TENANCY AGREEMENT

The Board announces that on 8 October 2021, Shanghai Want Want, as tenant, entered into the Tenancy Agreement with Shanghai Sun-Want, as landlord, in respect of the lease of the Premises in Shanghai for a term of one year and six months from 1 October 2021 to 31 March 2023 (both dates inclusive).

The principal terms of the Tenancy Agreement are set out as follows:

Date of agreement	:	8 October 2021
Landlord	:	Shanghai Sun-Want
Tenant	:	Shanghai Want Want
Premises	:	Room 801-1, No. 211 Shimen 1st Road, Jing'an District, Shanghai, PRC
Gross rental area	:	Approximately 123.72 square meters
Usage	:	As offices
Term	:	One (1) year and six (6) months from 1 October 2021 to 31 March 2023 (both dates inclusive)
Monthly rent	:	The monthly after-tax rent (exclusive of water, electricity, cable television, gas, heating, sanitary, telecommunication, property related fees and other charges and outgoings) during the lease term is RMB29,352.57 per month
Payment term	:	The monthly rent (except for the rent for the first month) shall be payable in advance by the Tenant to the Landlord 10 days before the expiry of the preceding month. The rent for the first month shall be payable upon signing of the Tenancy Agreement, but not later than 31 October 2021
Rental deposit	:	A rental deposit in the sum of RMB29,352.57, representing one month's rental, shall be payable upon signing of the Tenancy Agreement
Early Termination	:	The Tenant may terminate the Tenancy Agreement at any time during the Term by giving one month' prior written notice to the Landlord

REASONS AND BENEFITS FOR THE TENANCY AGREEMENT

To cope with the needs and development of the prepaid card business of Shanghai Want Want, Shanghai Want Want intends to lease the Premises for use as offices.

The rentals were negotiated on arm's length basis and on normal commercial terms by the contracting parties, and are based on the expected floor areas to be leased and the rental rates with reference to the prevailing market rental rate of the Premises and the rent payable by other

tenants in the same building of the Premises. The rental payments will be satisfied by the internal resources of the Group.

The Board (including the independent non-executive Directors but excluded the interested Directors who were absent from the relevant Board meeting and accordingly did not vote for the resolutions to approve the Tenancy Agreement) considers that the terms of the Tenancy Agreement have been negotiated and arrived at on arm's length basis and on normal commercial terms, and that such terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole and that the Tenancy Agreement was entered into in the ordinary and usual course of business of the Group.

LISTING RULES IMPLICATIONS

According to HKFRS 16 "Leases", the Group, as the lessee, is required to recognise the lease under the Tenancy Agreement as a right-of-use asset and lease liability in the consolidated balance sheet of the Group. As such, entering into the Tenancy Agreement and the transaction contemplated thereunder would be regarded as an acquisition of asset by the Group pursuant to the Listing Rules. The value of the right-of-use asset to be recognized by the Group under the Tenancy Agreement is estimated to be approximately RMB 489,470 which is unaudited and may be subject to adjustment in the future.

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 Shanghai Sun-Want. As such, Shanghai Sun-Want is an associate of Mr. Tsai and a connected person of the Company within the meaning of the Listing Rules and the lease transaction contemplated under the Tenancy Agreement constitutes a connected transaction of the Company.

Reference is made to the announcement of the Company dated 15 January 2021 in relation to the renewal of the leases of certain properties under the Property Lease Agreements. Pursuant to Rule 14A.81 of the Listing Rules, the lease transactions contemplated under the Property Lease Agreements and the Tenancy Agreement should be aggregated for the purpose of computing the relevant percentage ratios. As all of the applicable percentage ratios on an aggregated basis are more than 0.1% but less than 5%, the lease transaction contemplated under the Tenancy Agreement is subject to the reporting and announcement requirements but is exempt from the 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 transaction contemplated under the Tenancy 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 transaction.

INFORMATION ON THE PARTIES

The Company is an investment holding company. The Group is principally engaged in the manufacturing, distribution and sale of rice crackers, dairy products and beverages, snack foods and other products.

Shanghai Want Want is a limited liability company incorporated in the PRC and a subsidiary of

the Company that is indirectly owned as to 99.99% by the Company. It is principally engaged in the wholesale, retail, online retail, import and export, commission agents of food and packaged goods, merchandizing products, vending machines, disinfection products and other products and provision of related commission agency service and other relevant services.

Shanghai Sun-Want is a limited liability company incorporated in the PRC and is principally engaged in the development and sales of commercial housing and provision of related property leasing, real estate consulting, property management and parking lot management services, and construction of ancillary shopping mall facilities (excluding the operation of the shopping malls). Shanghai Sun-Want is a subsidiary of San Want and Mr. Tsai is the ultimate controlling shareholder of Shanghai Sun-Want.

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 exempt company with limited liability under the law of the Cayman Islands, whose principal activity is investment holding and the Shares of which 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)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 thereto under the Listing Rules
“PRC”	the People’s Republic of China
“Premises”	Room 801-1, No. 211 Shimen 1st Road, Jing’an District, Shanghai, PRC
“Property Lease Agreements”	the property lease agreements all dated 15 January 2021 entered into by certain members of the Group (as

	tenants) with certain connected persons (as landlords), each of them is an associate of Mr. Tsai, in respect of the leases of certain properties for use as the Group's offices with each for a term of two years and three months from 1 January 2021 to 31 March 2023 (both dates inclusive)
“RMB”	Renminbi yuan, the lawful currency of the PRC
“San Want”	San Want Holdings Limited, a company incorporated in Barbados with limited liability, and whose principal business activities are the operation of hospital, hotel and property businesses and other investments
“Shanghai Sun-Want”	Shanghai Sun-Want Property Ltd. * (上海神旺房地產有限公司), a limited liability company incorporated in the PRC
“Shanghai Want Want”	Shanghai Want Want Trading Ltd. * (上海旺旺商貿有限公司), a limited liability company incorporated in the PRC and a subsidiary of the Company that indirectly owned as to 99.99% by the Company
“Share(s)”	ordinary share(s) with nominal value of US\$0.02 each in the issued share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement dated 8 October 2021 entered into between Shanghai Want Want as tenant and Shanghai Sun-Want as landlord in relation to the lease of Premises for use as the Group's offices for a term of one year and six months from 1 October 2021 to 31 March 2023 (both dates inclusive)

* *For identification purposes only*

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

Hong Kong, 8 October 2021

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.