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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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE 2019/2020 ANNUAL REPORT AND THE 2020/2021 ANNUAL REPORT

Reference is made to the annual reports of Want Want China Holdings Limited (the “Company”) for the financial years ended 31 March 2020 and 2021 (the “Annual Reports”). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Annual Reports.

In addition to the information disclosed in the paragraph headed “Employee benefits – Pension obligations” under the section “Notes to the Consolidated Financial Statements” in the Annual Reports, the Board would like to provide the following additional information pursuant to paragraph 26 of Appendix 16 to the Listing Rules:

DEFINED CONTRIBUTION PLANS

The Group participated in defined contribution plans for its employees in the Chinese mainland, Hong Kong and Singapore, as well as certain employees in the Taiwan region, pursuant to relevant labour laws and regulations, whereby the Group is required to make contributions calculated based on a certain percentage of the employees’ relevant wages or income. There were no forfeited contributions for the defined contribution plans as the Group’s contributions were immediately vested to the employees.

DEFINED BENEFIT PLANS

Certain employees of the Group’s subsidiaries in the Taiwan region participated in defined benefit plans (the “Defined Benefit Plans”) in accordance with the Labour Standards Law (勞動基準法) of the Taiwan region. Under the Defined Benefit Plans, pension benefits were calculated based on the years of service and average wages of the six months preceding retirement of the relevant employee, and the relevant subsidiaries made monthly contributions of 4% of the total wages of the participating employees to pension funds (the “Pension Funds”). Before the end of each financial year of the relevant subsidiaries, the

relevant subsidiaries would assess the balance in the Pension Funds. In the event that the balance in the Pension Funds was insufficient to pay out pension benefits to employees who were expected to be qualified for retirement in the following financial year, the relevant subsidiaries were required to contribute such difference.

The most recent actuarial valuation of the Defined Benefit Plans was carried out by Professional Actuary Management Consulting Co., Ltd. (專精企業管理顧問股份有限公司), an independent qualified actuary in Taiwan region, with 31 December 2020 as the valuation reference date and in accordance with International Accounting Standard No. 19. The present value of the obligations and costs of the Defined Benefit Plans were calculated using the projected unit credit method. The principal assumptions of the actuarial valuation were:

(a) Discount rate and rate of increase of long-term salary

For the purpose of the actuarial valuation, discount rate of 0.375% to 0.500% for the year ended 31 December 2020 (2019: 0.625% to 0.750%) was adopted. It was further assumed that the expected rate of increase of long-term salary for the year ended 31 December 2020 was 2.000% (2019: 2.000%).

(b) Withdrawal rate

(i) Mortality rate

The 5th life table (第五回經驗生命表) as adopted by the insurance industry in the Taiwan region was used in the actuarial valuation.

(ii) Disability rate

The disability rate used in the actuarial valuation was 10% of the mortality rate.

(iii) Turnover rate

The turnover rate used in the actuarial valuation was determined based on the historical turnover rate from the relevant subsidiaries' records and taking into account expected future trends:

Age	Turnover rate
20 or less	8.0%-10.0%
25	6.0%-7.0%
30	4.0%-7.0%
35	3.0%-5.0%
40	0.0%-3.0%
45	0.0%
50	0.0%
55	0.0%
60	0.0%

Turnover rate not shown above was determined by interpolation.

(iv) Early retirement rate

The early retirement rate used in the actuarial valuation was the higher of (1) 1.5 times of the turnover rate or (2) the following:

Age ⁽¹⁾	Early retirement rate
Z	15.0%
Z+1 to 64	3.0%
65	100.0%

Note:

(1) Z was the earliest retirement age of the relevant employees.

It was also assumed that employees who did not retire upon reaching 65 years old would retire when they reach 68 years old.

The fair value of the Pension Funds assets and net defined benefit liabilities in New Taiwan Dollars (“NT\$”) were as follows:

	As at 31 December 2020 NT\$	As at 31 December 2019 NT\$
Present value of defined benefit obligations	(225,552,730)	(240,420,707)
Pension Funds assets at fair value	162,129,828	157,289,224
Net defined benefit assets/(liabilities)	(63,422,902)	(83,131,483)

The Directors do not consider the net defined benefit liabilities as set out above to be material.

The above additional information does not affect any other information contained in the Annual Reports. Save as disclosed in this announcement, all other information in the Annual Reports remains unchanged.

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

Hong Kong, 17 September 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.