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**卫龙美味全球控股有限公司**  
**WEILONG Delicious Global Holdings Ltd**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 9985)**

**CONTINUING CONNECTED TRANSACTIONS**  
**RENEWAL OF PACKAGING**  
**MATERIALS SUPPLY FRAMEWORK AGREEMENT**

**RENEWAL OF PACKAGING MATERIALS SUPPLY FRAMEWORK AGREEMENT**

Reference is made to the section headed “Connected Transactions” in the prospectus of the Company dated 5 December 2022 in relation to, among other things, the entering into of the Packaging Materials Supply Framework Agreement between the Company and Delong Color Printing on 29 November 2022 and setting annual caps for 2022, 2023 and 2024. Pursuant to which, Delong Color Printing would provide food packaging materials to our Group. The initial term of the Packaging Materials Supply Framework Agreement would commence on 15 December 2022 and end on 31 December 2024, and can be renewed upon its expiry as agreed by the Parties to the agreement.

Given that the Packaging Materials Supply Framework Agreement will expire on 31 December 2024, the Company entered into the New Packaging Materials Supply Framework Agreement with Delong Color Printing on 31 December 2024 (after trading hours) and proposed the annual caps for 2025, 2026 and 2027 under the New Packaging Materials Supply Framework Agreement. Pursuant to which, Delong Color Printing will continue to supply food packaging materials to the Group in the usual and ordinary course of business of the Group. The New Packaging Materials Supply Framework Agreement is for a term of three years commencing effect from 1 January 2025 and expiring on 31 December 2027.

## **IMPLICATIONS UNDER THE LISTING RULES**

As of the date of this announcement, Mr. LIU Fuping owns 30% of the equity interests in Delong Color Printing, and Mr. LIU Fuping is an executive Director and a controlling Shareholder of the Company, Delong Color Printing is therefore a connected person of the Company under Chapter 14A of the Listing Rules. The New Packaging Materials Supply Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

In respect of the transactions under the New Packaging Materials Supply Framework Agreement, as the highest applicable percentage ratio for each of the three years ending 31 December 2025, 2026 and 2027 calculated for the purpose of Chapter 14A of the Listing Rules exceeds 0.1% but is less than 5%, such transactions constitute continuing connected transactions of the Company and are subject to the reporting, announcement and annual review requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **RENEWAL OF PACKAGING MATERIALS SUPPLY FRAMEWORK AGREEMENT**

Reference is made to the section headed "Connected Transactions" in the prospectus of the Company dated 5 December 2022 in relation to, among other things, the entering into of the Packaging Materials Supply Framework Agreement between the Company and Delong Color Printing on 29 November 2022 and setting annual caps for 2022, 2023 and 2024. Pursuant to which, Delong Color Printing would provide food packaging materials to our Group. The initial term of the Packaging Materials Supply Framework Agreement would commence on 15 December 2022 and end on 31 December 2024, and can be renewed upon its expiry as agreed by the Parties to the agreement.

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Details of the New Packaging Materials Supply Framework Agreement are as follows:

### **Date**

31 December 2024

### **Parties**

- (1) the Company; and
- (2) Delong Color Printing.

## **Term**

From 1 January 2025 and ending 31 December 2027.

## **Principal terms**

The terms of the New Packaging Materials Supply Framework Agreement will be determined after arm's length negotiations between the Company and Delong Color Printing.

According to the New Packaging Materials Supply Framework Agreement, Delong Color Printing will provide food packaging materials to the Group, and the Group will pay the purchase fee to Delong Color Printing. Separate underlying agreements will be entered into in the manner provided in the New Packaging Materials Supply Framework Agreement, which will set out the details of materials, purchase price, payment method and other details of the materials supply arrangements. The definitive terms of each of such agreements will be determined on a case-by-case basis and on fair and reasonable basis after arm's length negotiations between the Parties.

## **Pricing basis**

The purchase price payable by us to Delong Color Printing under the New Packaging Materials Supply Framework Agreement will be determined through a bidding process according to the internal rules and procedures of our Company. We will send bidding documents to selected suppliers, collect and compare quotes offered by at least two independent third parties for products of the same or similar quality to ensure that the pricing terms between the Group and the connected person are no less favourable than those with other independent third parties. The Group will also take into consideration the cost of materials provided, the quality of the materials, as well as the production scale and capacity of the supplier. The winning bidder and the purchase price of packaging materials will be subject to approval of our procurement departments.

The Group will settle the consideration for the continuing connected transactions under the New Packaging Materials Supply Framework Agreement with its own funds.

## **Historical transaction amounts**

The annual caps of fees relating to the purchase of products paid by the Group to Delong Color Printing for the three years ended 31 December 2024 are set out as below:

*(Unit: RMB in millions)*

	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2023</b>	<b>2024</b>
Aggregate amount of fees relating to the purchase of packaging materials paid by our Group to Delong Color Printing	157	196	246

The historical amounts of fees relating to the purchase of products paid by our Group to Delong Color Printing for the year ended 31 December 2022, 2023 and the six months ended 30 June 2024 are set out as below:

*(Unit: RMB in millions)*

	<b>For the year ended 31 December 2022</b>	<b>2023</b>	<b>For the six months ended 30 June 2024</b>
Aggregate amount of fees relating to the purchase of packaging materials paid by our Group to Delong Color Printing	98.4	72.9	46.2

### **Annual caps**

The following table sets forth the proposed annual caps under the New Packaging Materials Supply Framework Agreement:

*(Unit: RMB in millions)*

	<b>For the year ended 31 December 2025</b>	<b>2026</b>	<b>2027</b>
Aggregate amount of fees relating to the purchase of packaging materials paid by our Group to Delong Color Printing	106	116	128

### **Basis of determination of the annual caps**

When estimating the annual caps, our Directors have taken into consideration the following factors:

- (i) the trend of the historical transaction amount for the year ended 31 December 2022, 2023 and the six months ended 30 June 2024;
- (ii) our needs for packaging materials to be provided by Delong Color Printing in supporting the projected growth of our business operation, and we expect that our production scale will continue to grow in the three years ended 31 December 2027; and
- (iii) the expected increase in the cost of production of packaging materials by Delong Color Printing and resulting expected increase in the purchase price to be charged by Delong Color Printing for supplying packaging materials to our Company (including taking into account the expected annual inflation in the PRC).

## **Reasons for and benefits of the transactions**

Delong Color Printing has historically supplied packaging materials to members of the Group due to its satisfactory products, favorable prices, and geographical advantage. In addition, our Group and Delong Color Printing have a long term, stable relationship and Delong Color Printing is familiar with our business needs and requirements. Based on our previous experience in business dealing with Delong Color Printing, we believe Delong Color Printing is capable of effectively satisfying our demands for the relevant products and services in a stable and reliable manner.

## **INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES**

In order to ensure that the terms under the New Packaging Materials Supply Framework Agreement are fair and reasonable, or no less favorable than terms available to or from independent third parties, and connected transactions are carried out under normal commercial terms, the Company has adopted the following internal control procedures:

- the Company has adopted and implemented a management system on connected transactions. Under such system, the Audit Committee under the Board is responsible for conducting reviews on compliance with relevant laws, regulations, the Company's policies and the Listing Rules in respect of the continuing connected transactions. In addition, the Audit Committee under the Board, the Board and various other internal departments of the Company (including but not limited to the finance department and compliance and legal department) are jointly responsible for evaluating the terms under framework agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under the agreements;
- the Audit Committee under the Board, the Board and various other internal departments of the Company also regularly monitor the fulfillment status and the transaction updates under the framework agreements for the continuing connected transactions. In addition, the management of the Company also regularly reviews the pricing policies of the framework agreements for the continuing connected transactions;
- the Company's independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements for the continuing connected transactions to ensure that, in accordance with the Listing Rules, the continuing connected transactions are conducted in accordance with the terms of the agreements, on normal commercial terms and in accordance with the relevant pricing policies, and are fair and reasonable in the interests of the Shareholders as a whole;
- when considering fees to be provided to the above connected person by our Group, the Group will constantly research into prevailing market conditions and practices and make reference to the pricing and terms between the Group and independent third parties for similar transactions, to make sure that the pricing and terms offered by the above connected person from mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable than those offered to independent third parties; and

- when considering any subsequent renewal or revisions to the framework agreements for the continuing connected transactions, the interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at board meetings or shareholders' general meetings (as the case may be) in accordance with the Listing Rules, and the Company's independent non-executive Directors and independent Shareholders have the right to consider if the terms of the continuing connected transactions (including the proposed annual caps) are fair and reasonable, on normal commercial terms and in the interests of our Company and our Shareholders as a whole. If the independent non-executive Directors' or independent Shareholders' approvals as required under the Listing Rules cannot be obtained, the Company will not continue related transactions.

## **OPINION OF THE BOARD**

Having considered the pricing basis, the basis for determining the annual caps, the reasons for and benefits of the transactions and the internal control procedures and corporate governance measures of the Company, the Directors (including the independent non-executive Directors) are of the view that the terms of the transactions contemplated under the New Packaging Materials Supply Framework Agreement and the proposed annual caps thereunder have been and will continue to be carried out in the ordinary and usual course of business of the Group on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and that the proposed annual caps of the New Packaging Materials Supply Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. At the same time, the Company believes that it has sufficient mechanisms and internal control procedures and measures to ensure that the continuing connected transactions comply with and strictly follow the relevant regulatory guidelines and the terms of the New Packaging Materials Supply Framework Agreement.

As Mr. LIU Fuping owns 30% equity interest in Delong Color Printing and Mr. LIU Weiping and Mr. LIU Fuping are a group of controlling shareholders of the Company, Mr. LIU Weiping and Mr. LIU Fuping have abstained from voting on the relevant Board resolutions approving the New Packaging Materials Supply Framework Agreement in accordance with the Articles of Association of the Company and the Listing Rules. Save as disclosed above, none of the other Directors is deemed to have any material interest in the New Packaging Materials Supply Framework Agreement and the transactions contemplated thereunder and accordingly, none of the other Directors abstained from voting on the relevant Board resolutions.

## **INFORMATION OF THE PARTIES**

### **The Group**

The Group is a leading spicy snack food enterprise integrating research and development, production and sales in China. The Group's major products cover seasoned flour products, vegetable products, bean-based and other products, etc.



## **Delong Color Printing**

Delong Color Printing is a company incorporated under the laws of the PRC with limited liability on 31 July 2017 and is principally engaged in the printing of packaging and decorative printing materials and the production of plastic packaging containers and tools for foodstuffs. As at the date of this announcement, Delong Color Printing is held by Chengdu Xinghengtai Co., Ltd. (成都市興恆泰印務有限公司) (an independent third party) and Mr. LIU Fuping as to 70% and 30% of its equity interests, respectively. Chengdu Xinghengtai Co., Ltd. (成都市興恆泰印務有限公司) is held as to 22.74% by JIANG Furong, 20.91% by JIANG Xiyuan, 19.70% by JIANG Xiaodong, 16.66% by JIANG Wenxi, 10% by ZHAO Fuxiang and 10% by ZHOU Jian, all being natural persons of independent third parties.

## **IMPLICATIONS UNDER THE LISTING RULES**

As of the date of this announcement, Mr. LIU Fuping owns 30% of the equity interests in Delong Color Printing, and Mr. LIU Fuping is an executive Director and a controlling Shareholder of the Company, Delong Color Printing is therefore a connected person of the Company under Chapter 14A of the Listing Rules. The New Packaging Materials Supply Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

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## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“China” or “PRC” or “Mainland China”	the People's Republic of China, for the purpose of this announcement only, excluding the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan
“Company”	WEILONG Delicious Global Holdings Ltd (卫龙美味全球控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 6 July 2018, and its shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Delong Color Printing”	Luohe Delong Color Printing Development Co., Ltd. (漯河市德龍彩印發展有限公司), a company incorporated under the laws of the PRC on 31 July 2017 and held by Chengdu Xinghengtai Co., Ltd. (成都市興恆泰印務有限公司) (an independent third party) and Mr. LIU Fuping as to 70% and 30% of its equity interests, respectively
“Director(s)”	the director(s) of the Company
“Group” or “our Group” or “we” or “us”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“New Packaging Materials Supply Framework Agreement”	the new framework agreement entered into between the Company and Delong Color Printing on 31 December 2024 in relation to the supply of packaging materials
“Packaging Materials Supply Framework Agreement”	the framework agreement entered into between the Company and Delong Color Printing on 29 November 2022 in relation to the supply of packaging materials
“Parties”	the Company and Delong Color Printing
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	Percent

By order of the Board  
**WEILONG Delicious Global Holdings Ltd**  
**LIU Weiping**  
*Chairman*

Hong Kong, China  
31 December 2024

*As at the date of this announcement, the executive directors of the Company are Mr. LIU Weiping, Mr. LIU Fuping, Mr. SUN Yinong, Mr. PENG Hongzhi, Mr. LIU Zhongsi and Mr. YU Feng; and the independent non-executive directors of the Company are Ms. XU Lili, Mr. ZHANG Bihong and Ms. XING Dongmei.*