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GUOQUAN FOOD (SHANGHAI) CO., LTD.

鍋圈食品(上海)股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2517)

CONTINUING CONNECTED TRANSACTIONS
PROCUREMENT FRAMEWORK AGREEMENT

PROCUREMENT FRAMEWORK AGREEMENT

The Board announces that on February 4, 2026, the relevant resolution was considered and passed by the Board to approve the entering into of the Procurement Framework Agreement between the Company (on behalf of the Group) and Songhe Group, pursuant to which the Group purchases alcoholic beverages from Songhe Group.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Guoquan Industry holds 33.52% of the total issued share capital of the Company (excluding treasury shares) and is one of the Controlling Shareholders of the Company. As of the date of this announcement, Songhe Share is an indirect subsidiary of Guoquan Industry, the Controlling Shareholder of the Company. Therefore, Songhe Group constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Songhe Group continues to provide alcoholic beverages to the Group. Accordingly, the entering into of the Procurement Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for the Procurement Framework Agreement for the purposes of Chapter 14A of the Listing Rules exceeds 0.1% but is less than 5%, the transactions contemplated under the agreement are subject to the reporting, announcement and annual review requirements but are exempt from the circular (including the opinion of the independent financial adviser) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

PROCUREMENT FRAMEWORK AGREEMENT

The principal terms of the Procurement Framework Agreement are set out below:

Date: February 4, 2026

Parties: (1) the Company (on behalf of the Group); and

(2) Songhe Group

Term of the agreement: From February 4, 2026 to December 31, 2026

Subject matter: The Group purchases alcoholic beverages from Songhe Group for its daily consumption and distribution to its customers.

Basis of price determination: The pricing of purchase of alcoholic beverages under the Procurement Framework Agreement shall be determined based on normal commercial terms after arm's length negotiation in the ordinary course of business and in accordance with the following principles:

(i) The pricing of alcoholic beverages shall be determined with reference to factors, including but not limited to, market prices of raw materials, brewing and production cycles, product quality, packaging specifications and materials, transportation and distribution costs, storage conditions, and the price levels of comparable market products.

(ii) The price and terms shall be no less favorable to the Group than the price and terms at which alcoholic beverages would be provided by Independent Third Parties for substantially the same or similar transactions during the same period, in any event.

Payment and settlement terms: The Group will enter into specific agreements or place orders with Songhe Group to set out the specific terms and conditions for the provision of alcoholic beverages. The Group will make payments in accordance with the principles set out in the Procurement Framework Agreement at the time, in the manner and subject to the conditions agreed in the specific agreement or order. Songhe Group agrees that the Group may independently determine all product sales plans. Should the Group experience unsold inventory due to unmet sales targets, it reserves the right to request Songhe Group to accept returns at the original purchase price at any time. Songhe Group must complete pickup and refunds within ten business days of receiving the return request, with all associated return costs borne by Songhe Group.

HISTORICAL AMOUNT

The historical transaction amounts of the alcoholic beverages purchased by the Group from Songhe Group for the three years ended December 31, 2025 are set out below:

	For the year ended December 31,		
	2023	**2024**	**2025**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Total amount of the alcoholic beverages purchased by the Group from Songhe Group	417	31,559	23,727

Note: In accordance with Songhe restructuring plan ordered and approved by the People's Court of Luyi County, Henan Province on December 25, 2024, in November 2025, Henan Guoquan Industry, a wholly-owned subsidiary of Guoquan Industry, completed the transfer of operation management right with substantive consolidated restructuring administrator of Songhe Share and Songhe Liquor Industrial. Songhe Share became a subsidiary of Henan Guoquan Industry, thereby becoming a connected person of the Company. The abovementioned historical transactions between the Group and Songhe Group were all completed or terminated in October 2025, being the time before Songhe Group became a connected person of the Company. Since then, and up to the date of this announcement, the Group has not engaged in any transactions with Songhe Group involving the procurement of alcoholic beverages.

ANNUAL CAPS AND BASIS OF DETERMINATION

The annual cap for the alcoholic beverages to be supplied to the Group by Songhe Group for the eleven months from the date of this announcement to December 31, 2026 is set out below:

	For the eleven months from the date of this announcement to December 31, 2026 *(RMB'000)*
Total amount of the alcoholic beverages to be purchased by the Group from Songhe Group	200,000

The proposed annual caps for the transactions contemplated under the Procurement Framework Agreement were determined after taking into account the following factors, including: (i) the historical transaction amount of the Group's procurement of the alcoholic beverages from Songhe Group; (ii) the business prospects of the Group and the alcoholic beverages requirements arising therefrom; (iii) the transaction volume of the Group's future procurement of the alcoholic beverages from other Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PROCUREMENT FRAMEWORK AGREEMENT

Songhe Group is a stable and reliable supplier of the Group, possessing specialized research and development expertise and experience in brewing and customization of Baijiu. The quality and efficiency of the alcoholic beverages provided by Songhe Group can meet the Group's requirements, particularly through its own industrial chain advantages that allow for the flexible provision of supply services applicable to the integrated alcoholic beverages of the Group's consumption scenario at a reasonable cost. Compared to other suppliers, Songhe Group has a superior understanding of the Group's product position and store network requirements. Therefore, it can efficiently integrate with the Group's supply chain system, which is critical to our operations. The Company believes that the entering into of the Procurement Framework Agreement with Songhe Group is beneficial to the Group and in the interests of the Shareholders as a whole.

Internal Control

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders), the Group has implemented the following internal control measures in relation to the continuing connected transactions:

(i) The Group's business department will regularly obtain quotation for similar supply from other suppliers to review the market prices of the products provided under the agreements;

(ii) The Group's business department will regularly conduct surveys to review and assess whether the transactions as contemplated under the relevant continuing connected transactions are conducted according to the terms of their respective agreements, and maintain a regular update on market prices to consider whether the pricing of specific transactions is fair, reasonable and in line with the aforementioned pricing policy;

(iii) The Group's finance department will regularly monitor transactions under the agreements to ensure that the transaction amounts each do not exceed the respective annual caps. If any transaction amount approximates the corresponding annual cap, the management of the Company will update the relevant annual cap or temporarily suspend the relevant transactions, as the case may be;

(iv) The Company's external auditors will conduct an annual review of the transactions to confirm (a) whether the transactions under the Procurement Framework Agreement have been approved by the Board; (b) whether such transactions have been entered into in accordance with the Procurement Framework Agreement; and (c) whether the proposed annual caps have been exceeded;

(v) The independent non-executive Directors will review the transactions on an annual basis to ensure that the Company has complied with internal approval procedures, the terms of the agreement and the relevant provisions under the Listing Rules, and will confirm in the annual report whether the transactions under the Procurement Framework Agreement: (a) were entered into in the ordinary course of the Group's business; (b) were conducted on normal commercial terms or better; and (c) were executed in accordance with the Procurement Framework Agreement on terms that are fair, reasonable, and in the interests of the Company's Shareholders as a whole; and

(vi) When considering any renewal or revisions to the agreements, 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).

OPINION FROM THE BOARD

The Directors (including the independent non-executive Directors) consider that (i) the terms of the Procurement Framework Agreement and the proposed annual caps are fair and reasonable; (ii) the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the entering into of the Procurement Framework Agreement is in the interests of the Company and the Shareholders as a whole. Mr. Yang Mingchao and Mr. Meng Xianjin, being the executive Directors interested in 55.61% and 37.07% in Guoquan Industry, respectively, have a material interest in the transactions contemplated under the Procurement Framework Agreement. Therefore, Mr. Yang Mingchao and Mr. Meng Xianjin have abstained from voting on the relevant resolution at the Board meeting to approve the Procurement Framework Agreement. Save as disclosed above, none of the other Directors has a material interest in the transactions contemplated under the relevant Agreement. On February 4, 2026, relevant resolution was considered and passed by the Board to approve the entering into of the Procurement Framework Agreement between the Company (on behalf of the Group) and Songhe Group.

INFORMATION ON THE PARTIES

As a leading and rapidly growing home meal products brand in China, the Group offers a variety of ready-to-eat, ready-to-heat, ready-to-cook and prepared ingredients, with a focus on at-home hotpot and barbecue products.

Songhe Share, a joint stock company incorporated in the PRC with limited liability, is principally engaged in the brewing and sale of baijiu. As at the date of this announcement, Songhe Share became a subsidiary of Guoquan Industry, a Controlling Shareholder of the Company. As of the date of this announcement, Guoquan Industry, being one of the Controlling Shareholders of the Company is held as to 55.61% by Mr. Yang Mingchao, 37.07% by Mr. Meng Xianjin, and 7.32% by Mr. Li Xinhua, each of them is a Controlling Shareholder of the Company. Songhe Group comprises Songhe Share and its subsidiaries.

LISTING RULES IMPLICATIONS

As of the date of this announcement, Guoquan Industry holds 33.52% of the total issued share capital of the Company (excluding treasury shares) and is one of the Controlling Shareholders of the Company. As of the date of this announcement, Songhe Share is an indirect subsidiary of Guoquan Industry, the Controlling Shareholder of the Company. Therefore, Songhe Group constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Songhe Group continues to provide alcoholic beverages to the Group. Accordingly, the entering into of the Procurement Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio in respect of the annual caps for the Procurement Framework Agreement for the purposes of Chapter 14A of the Listing Rules exceeds 0.1% but is less than 5%, the transactions contemplated under the Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the circular (including the opinion of the independent financial adviser) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of directors of the Company
"China" or "PRC"	the People's Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region and Taiwan of the PRC
"Company"	Guoquan Food (Shanghai) Co., Ltd. (鍋圈食品(上海)股份有限公司), a joint stock company established under the laws of the PRC with limited liability on July 11, 2019, and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2517)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Guoquan Industry"	Guoquan Industry (Shanghai) Co., Ltd. (鍋圈實業(上海)有限公司), a company incorporated under the laws of the PRC with limited liability on November 10, 2021 and one of the Controlling Shareholders of the Company
"Henan Guoquan Industry"	Henan Guoquan Industry Development Co., Ltd. (河南鍋圈實業發展有限公司), a company incorporated under the laws of the PRC with limited liability on August 10, 2023 and a subsidiary of Guoquan Industry
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	to the best of the Directors' knowledge having made all reasonable enquiries, any person who is not a connected person (as defined under the Listing Rules) of the Company
"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

"Procurement Framework Agreement"	the procurement framework agreement dated February 4, 2026 entered into by the Group in relation to the procurement of alcoholic beverage products from Songhe Group
"Share(s)"	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, including domestic unlisted shares and H shares
"Shareholder(s)"	the shareholder(s) of the Company
"Songhe Share"	Henan Songhe Liquor Co., Ltd. (河南省宋河酒業股份有限公司), a company incorporated under the laws of the PRC with limited liability on August 27, 1999
"Songhe Liquor Industrial"	Henan Songhe Liquor Industrial Co., Ltd. (河南省宋河酒實業有限公司), a company incorporated under the laws of the PRC with limited liability on October 10, 1999 and a subsidiary of Songhe Share
"Songhe Group"	Songhe Share and its subsidiaries
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	percentage

By order of the Board
Guoquan Food (Shanghai) Co., Ltd.
鍋圈食品(上海)股份有限公司
Mr. Yang Mingchao
Chairperson of the Board, Executive Director and Chief Executive Officer

Hong Kong, February 4, 2026

As at the date of this announcement, the Board of the Company comprises Mr. Yang Mingchao, Mr. Meng Xianjin, Mr. An Haolei, Ms. Luo Na and Ms. Yang Tongyu as executive directors; Mr. Liu Zhengzheng as a non-executive director; Mr. Zeng Xiaosong, Ms. Yu Fang Jing, Mr. Li Jianfeng and Mr. Shi Kangping as independent non-executive directors; and Ms. Zheng Min as an employee director.