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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 SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO ENTERING INTO THE PROCUREMENT FRAMEWORK AGREEMENT

Reference is made to the announcement of Guoquan Food (Shanghai) Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") dated 4 February 2026 (the "**Announcement**") in relation to the continuing connected transactions under the Procurement Framework Agreement. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company hereby provides further information on the (1) basis for determining the price under the Procurement Framework Agreement; (2) basis for determining the annual cap under the Procurement Framework Agreement and (3) internal control. This announcement is a supplement to the Announcement and should be read in conjunction with the Announcement.

BASIS FOR DETERMINING THE PRICE UNDER THE PROCUREMENT FRAMEWORK AGREEMENT

(1) Core Pricing Principles

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 between the parties 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 Independent Third Parties for comparable market products.

(ii) The alcoholic beverages offered to the Group shall be at prices and on terms no less favorable to the Group than those offered to the Group by no less than two Independent Third Parties for substantially the same or similar transactions during the same period, in any event.

(2) Pricing Process

The business department of the Group will determine the prices of alcoholic beverages with reference to market prices of the same or comparable types of products offered by other Independent Third Parties, i.e. obtain quotations from at least two other Independent Third Parties for similar products and similar quantities before entering into individual procurement contracts to ascertain whether the prices and specifications of the products offered by Songhe Group are comparable to those offered by such independent suppliers, and evaluate and review the price fairness and reasonability by considering factors such as market prices of raw materials, brewing and production cycle, product quality, packaging specifications and materials, transportation and distribution costs, storage conditions of the products to be purchased. Such quotations will be obtained from independent third party suppliers of publicly quoted alcoholic beverages. If the Group obtains more favorable prices from independent third party suppliers, which are applicable to similar alcoholic beverages, the Group will negotiate reasonable prices for such products with Songhe Group and may decide whether to purchase such products from Songhe Group.

BASIS FOR DETERMINING THE ANNUAL CAP UNDER THE PROCUREMENT FRAMEWORK AGREEMENT

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 procurement demand for alcoholic beverages arising therefrom; (iii) the transaction volume of the Group's future procurement of the alcoholic beverages from other Independent Third Parties.

The Group expects a significant growth in demand for alcoholic beverages purchased through various business channels in 2026, mainly due to the following factors:

(1) Alcoholic beverages are one of the important product categories for the Group to diversify its product offerings and increase revenue. The Group plans to vigorously expand its sales business of alcoholic beverages in 2026. For example, the Group will create diversified combo packages by bundling alcoholic beverages with the Group's existing hot pot and barbecue products, providing consumers with a comprehensive dining solution in their daily meals.

(2) The Group plans to significantly increase the display and sales scale of alcoholic beverages in all its instant retail store network. As at December 31, 2025, the store number of the Group reached 11,566. With the continuous expansion of its sales network in 2026, it is expected that the sales amount of alcoholic beverages will achieve significant growth, and the corresponding procurement scale will also increase significantly.

INTERNAL CONTROL

The business and procurement department is responsible for maintaining daily communication with suppliers, collecting information on quotations from suppliers, market price fluctuations and relevant feedback in a timely manner, and ensuring that transaction conditions continue to comply with commercial practices. Meanwhile, the department regularly tracks, monitors and evaluates the actual purchase prices and the implementation of pricing strategies in accordance with the established internal control procedures of the Company to ensure consistent price standards and fair and reasonable transaction conditions, and ongoing compliance with the Listing Rules and the internal control requirements of the Group.

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 13, 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.