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Ritamix Global Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1936)

DISCLOSEABLE TRANSACTION IN RELATION TO THE COOPERATION AGREEMENT WITH SHIFENGFU (HAINAN)

The Board is pleased to announce that on 7 January 2021, Ritamix (HK), a wholly-owned subsidiary of the Company, entered into the Cooperation Agreement with Shifengfu (Hainan). Pursuant to the Cooperation Agreement, Hainan Ritamix, in which Ritamix (HK) will hold 51% of the equity interest and Shifengfu (Hainan) will hold 49% of the equity interest, will be established in the PRC for the Group to tap into the PRC market. It is proposed that Hainan Ritamix will principally engage in manufacturing and processing animal feeds and animal feed additives by establishing and operating the Plant in Hainan Province, the PRC, mainly for the PRC market. The initial and total capital contributions from Ritamix (HK) to the registered capital of Hainan Ritamix are RMB5 million and RMB25.5 million, respectively, which will be funded by the internal resources of the Group.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in relation to the transactions contemplated under the Cooperation Agreement exceeds 5% but is less than 25%, the Cooperation Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

THE COOPERATION AGREEMENT

The principal terms of the Cooperation Agreement are set out below.

Date:

7 January 2021

Parties:

- (i) Ritamix (HK); and
- (ii) Shifengfu (Hainan).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Shifengfu (Hainan) and its ultimate beneficial owners are Independent Third Parties.

The cooperation

Hainan Ritamix, in which Ritamix (HK) will hold 51% of the equity interest and Shifengfu (Hainan) will hold 49% of the equity interest, will be established in the PRC for the Group to tap into the PRC market. It is agreed under the Cooperation Agreement that the total registered capital of Hainan Ritamix is RMB50 million, which will be contributed by Ritamix (HK) and Shifengfu (Hainan) as to RMB25.5 million and RMB24.5 million, respectively. Initially, Ritamix (HK) shall contribute RMB5 million towards the registered capital of Hainan Ritamix within fifteen business days upon the approval of the establishment of Hainan Ritamix by the relevant PRC authorities and a bank account of Hainan Ritamix being opened. The capital contribution from Ritamix (HK) will be funded by the internal resources of the Group.

Business scope

Hainan Ritamix will principally engage in manufacturing and processing animal feeds and animal feed additives by establishing and operating the Plant in Hainan Province, the PRC, mainly for the PRC market.

Director and legal representative

The director and legal representative of Hainan Ritamix will be Dato' Sri Lee Haw Yih, the chairman of the Board, the chief executive officer of the Group and an executive Director.

Other terms

Ritamix (HK) is responsible for providing technical support in respect of the manufacturing and processing of animal feeds and animal feed additives and supplying raw materials to Hainan Ritamix.

Shifengfu (Hainan) is responsible for establishing Hainan Ritamix and the Plant, obtaining the approval of the relevant PRC authorities for the production of the Plant, as well as the marketing and sales of products of Hainan Ritamix in the PRC.

The Cooperation Agreement is governed by and construed in accordance with the laws of the PRC.

INFORMATION OF SHIFENGFU (HAINAN)

Shifengfu (Hainan) is a company established in the PRC with limited liability on 18 November 2020, the registered office of which is located at Shop No.6, 2nd Floor, Building 2, North District, Dexin Garden, Xinying Avenue, Xinying Bay District, Yangpu Economic Development Zone, Hainan Province, the PRC* (海南省洋浦經濟開發區新英灣區新英大道德馨花園北區2幢2樓6號舖面). Shifengfu (Hainan) is a health biotechnology enterprise specialising in the research and development, production, sales and service of health products. It principally engages in the research and development of medical dressings, fast-moving food, domestic trade, and nutritious meal series. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mr. Xu Zhenjie (許振傑先生) and Mr. Huang Maozhang (黃茂璋先生) are the ultimate beneficial owners of Shifengfu (Hainan), holding 99% and 1% equity interests in Shifengfu (Hainan), respectively, and Shifengfu

(Hainan) and its ultimate beneficial owners are Independent Third Parties. Mr. Xu Zhenjie is the director and legal representative of Shifengfu (Hainan), with extensive experience in nutrition consultation and the catering industry.

REASONS FOR AND BENEFITS OF ENTERING INTO THE COOPERATION AGREEMENT

The Group principally engages in (i) distribution of animal feed additives and, to a lesser extent, human food ingredients; and (ii) manufacturing of animal feed additives premixes.

It has been one of the business strategies of the Group to explore new business opportunities for continuous growth and expansion and to diversify business risks, especially in light of the negative impact brought by the outbreak of COVID-19 pandemic to the global economy, as well as to diversify the revenue sources of the Group and eventually maximise Shareholders' values. The Board considers that there is a growing demand for animal feeds and animal feed additives in the PRC market. The Board believes that with the cooperation with Shifengfu (Hainan) and by leveraging Shifengfu (Hainan)'s extensive network in the PRC, the Group will be able to benefit from the growth in demand for animal feeds and animal feed additives in the PRC market after tapping into it. As such, the Board believes that the Cooperation Agreement will be a stepping stone for the Group to increase its market share and develop its sales network in the PRC, which may assist the Group to further expand in the PRC in the future.

The Board considers that the Cooperation Agreement has been entered into after arm's length negotiations between Ritamix (HK) and Shifengfu (Hainan) and based on normal commercial terms, and the terms and conditions therein are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in relation to the transactions contemplated under the Cooperation Agreement exceeds 5% but is less than 25%, the Cooperation Agreement constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Ritamix Global Limited, an exempted company with limited liability incorporated in the Cayman Islands on 29 October 2018, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1936)
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Cooperation Agreement”	the agreement dated 7 January 2021 entered into between Ritamix (HK) and Shifengfu (Hainan) in relation to establishing Hainan Ritamix
“Hainan Ritamix”	the company to be established in the PRC pursuant to the Cooperation Agreement, which is proposed to be named as Hainan Ritamix Biological Science Co., Ltd.* (海南利特米生物科學有限公司), the registered capital of which will be owned as to 51% by Ritamix (HK) and 49% by Shifengfu (Hainan)
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of the Company and its connected person(s)
“Plant”	the manufacturing plant to be established pursuant to the Cooperation Agreement and operated by Hainan Ritamix
“PRC”	The People’s Republic of China
“Ritamix (HK)”	Ritamix (HK) Limited (利特米(香港)有限公司), a company incorporated in Hong Kong with limited liability on 11 November 2020, and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company
“Shifengfu (Hainan)”	Shifengfu (Hainan) Health Biotechnology Co., Ltd.* (世豐福(海南)健康生物科技有限公司), a company established in the PRC with limited liability on 18 November 2020, which is an Independent Third Party
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
Ritamix Global Limited
Dato’ Sri Lee Haw Yih
Chairman and Executive Director

Malaysia, 7 January 2021

As at the date of this announcement, the executive Directors are Dato’ Sri Lee Haw Yih and Datin Sri Yaw Sook Kean; the non-executive Director is Mr. Lee Haw Shyang; and the independent non-executive Directors are Ms. Ng Siok Hui, Mr. Lim Chee Hoong and Mr. Lim Heng Choon.

* For identification purpose only