



FOR IMMEDIATE RELEASE

MALAYSIA'S LARGEST MANUFACTURER OF CHEWY CANDY PRODUCTS APPOINTS WELLSPIRE TO EXPAND IN THAILAND

KUALA LUMPUR, 23 AUGUST 2023 - Wellspire Holdings Berhad (Wellspire), a distributor of consumer-packaged foods in Thailand, through its wholly-owned subsidiary, Wellspire Global Trading, today signed a strategic cooperation agreement with Khee San Food Industries Sdn Bhd (Khee San), a subsidiary of Khee San Berhad.

Under this agreement, Wellspire will become Khee San's sole and exclusive distributor in Thailand. As a start, Wellspire will distribute, import, export, sell and resell Khee San products, namely Fruit Plus and Kiss Me.

This strategic cooperation with Khee San is part of Wellspire's plans to cooperate with local companies to penetrate the Thai market via the Wellspire group's well-established distribution channels in the Kingdom. The partnership with Khee San will combine the Wellspire group's leading infrastructure, distribution channels and marketing expertise in Thailand with Khee San's well-established manufacturing and packaging capabilities in the mass market consumer food and snacks manufacturing industry. The agreement is valid from 23 August 2023 to 22 August 2026 for a period of three (3) years.

This key collaboration is also anticipated to leverage on the respective strengths and market footholds of both companies to open up lucrative new revenue streams in untapped markets, while complementing Wellspire's existing range of products to offer Thai consumers even more choices. Wellspire will also be in a strong position to further capitalise on the growth in online shopping and e-commerce sales, while enhancing its product mix and serving more segments of market demand in Thailand.

Likewise, partnering with Wellspire will allow Khee San to rapidly expand its access and footprint within the Thai snack food market, putting it in a strong position for future revenue growth and market diversification. According to Statista, the revenue value of Thai snack food market has exceeded USD 1 billion in 2023, and is projected to witness a CAGR of 7.16% during the period of 2023-2028, growing from USD 1.07 billion in 2023, to over USD 1.54 billion by 2028. In relation to total population figures, the Thai market generated a revenue of US\$15.31 per person in 2023.

With logistics, marketing, and distribution playing an increasingly critical role in every aspect of the snack food distribution business, companies recognize that they need to accelerate the development of market penetration solutions to ensure they remain competitive whilst exploiting high-growth market opportunities. Therefore, this Wellspire and Khee San

partnership brings together extensive logistical networks, intimate connections to the market, and strong manufacturing capabilities to deliver lucrative commercial benefits and strategic advantages for both companies.

The success of this strategic partnership with Khee San will likely see even more distributorship opportunities for Wellspire to introduce new lines of snack products to meet the growing local demand for novelty and variety, while strengthening its foothold in the Thai market.

Khee San is Malaysia's most prominent domestic candy and sweets manufacturer, with an illustrious history of over 50 years. The Company currently exports to over 20 countries, with major destinations: Hong Kong, Vietnam, Japan, South Africa and other Asia Pacific countries. For the domestic market, Khee San is focusing on widening its coverage to all the various retail sales point outlets across both the wholesale and modern distribution channels. These sales points range from mom-and-pop outlets, 24-hour convenience stores, and big hypermarket chains.

A signing ceremony was held recently at St Regis Kuala Lumpur to commemorate the sealing of this new cooperation. Wellspire was represented by Mo Guopiao, Chief Executive Officer and Executive Director, while Khee San was represented by Edward Tan, Chief Executive Officer.

Mo from Wellspire, said, "We are pleased to work with Khee San to distribute its candy and sweets on an exclusive basis in Thailand. This cooperation marks an important milestone for us. It reflects Khee San's trust and confidence in our unparalleled distribution capabilities that also include major supermarkets and chain convenience store brands in Thailand."

"Furthermore, this reaffirms our role in facilitating the expansion of Malaysian-made products in the overseas market. Strengthening our position as one of the key distributors in the region."

"Moving forward, we welcome more innovative and growth-driven Malaysian food manufacturers to explore collaborations with Wellspire. By leveraging on our market insights, know-how and reach in Thailand, homegrown brands can effectively tap an immense and high-growth consumer market that has a population of 70 million," he added.

Edward Tan from Khee San, said, "We are looking forward to working with Wellspire to introduce our market-leading products into Thailand, where the revenue for the confectionery market is expected to grow annually by more than 6.05%."

"Our expansion into Thailand is also a showcase of our commitment to drive business growth by tapping into opportunities across the region while continuously improving our existing products as well as introducing new line-ups so as to generate sustainable value creation for our shareholders and stakeholders," he said.

For the past few months, Wellspire has secured multiple new and renewed existing partnerships with international brands like QiaQia for ChaCha sunflower seeds, Weilong for Weilong Big Hot Stick (Latiao) and Weilong Konjac Shuang as well as Cundo chocolate-based cakes.

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ABOUT WELLSPIRE HOLDINGS BERHAD

Wellspire Holdings Berhad ("Wellspire") is a distributor of consumer-packaged foods and an online retailer of consumer-packaged foods. Wellspire and its subsidiaries ("Wellspire Group") focus on the distribution of snack foods, mainly sunflower seeds which use distribution channels such as wholesalers and retailers, including hypermarkets, supermarkets and convenience stores that also sell a large variety of other consumer packaged goods. The Wellspire Group is the exclusive distributor of "ChaCha" brand sunflower seeds & nuts for the Thailand market. It supplies its products to, among others, major supermarkets and chain convenience store brands in Thailand.

To learn more, visit <https://wellspireholdings.com/>

ABOUT KHEE SAN BERHAD

Khee San Berhad is a Malaysian-based company which operates as an investment holding company. It was listed on Bursa Securities Malaysia Berhad in 1994. The Company's principal business is the manufacturing of candies via its fully-owned subsidiary, Khee San Food Industries Sdn Bhd. The products are distributed locally and in foreign destinations, including ASEAN, Greater China, Middle East regions and also international markets. KSB Group's headquarters and facilities are located in Seri Kembangan, Selangor, Malaysia where it produces and distributed candies such as chewy, tablet, hard, bubble gum/chewing gum, deposited candy and others.

To learn more, visit: <http://www.kheesanbhd.com/>
