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GOLDEN THROAT HOLDINGS GROUP COMPANY LIMITED **金嚜子控股集團有限公司**

(Incorporated under the laws of the Cayman Islands with limited liability of its members)

(Stock Code: 6896)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO RENEWAL OF CONTINUING CONNECTED TRANSACTION

We refer to the announcement of the Company dated 30 December 2020 (the “**Announcement**”) in relation to the 2021 Procurement Framework Agreement, pursuant to which, the Company agreed to purchase and Changbao agreed to provide certain products, including liquid Isomalt, Isomalt AG, syrup and Changbao Probiotics on a continuing basis. Unless otherwise stated herein, capitalized terms used in this supplemental announcement shall have the same meaning as defined in the Announcement.

The Company wishes to provide the following additional information in relation to (1) the pricing of Isomalt AG; (2) the determination of the proposed annual caps; and (3) ultimate beneficial owners of Changbao.

Pricing of Isomalt AG

The Company determined the price and fair value of Isomalt AG with reference to its production costs as incurred by Changbao and the price of Isomalt AG offered by Changbao to third party customers. Isomalt AG is manufactured by Changbao using its patented method. Due to its refined quality, the price of Isomalt AG is higher than the price of ordinary solid Isomalt, which is generally priced on the market in the range between RMB24/kg and RMB30/kg. Changbao has sold a small quantity of Isomalt AG to independent third parties at a price of RMB50/kg. As Changbao has to produce Isomalt AG in accordance with the requirements of the Company, there is no market comparable which is of the same quality of Isomalt AG. After taking into consideration the above, the Company considers that a unit price of not exceeding RMB50.00 per kg reflects the fair value of Isomalt AG under the 2021 Procurement Framework Agreement.

Determination of the proposed annual caps

As disclosed in the Announcement, the Syrup is a raw material which is already included in the Original Agreement, while liquid Isomalt and Isomalt AG are newly-included raw materials and Changbao Probiotics is a newly-included finished product in the 2021 Procurement Framework Agreement. The intended amount of expenses to be paid by the Group to Changbao for Syrup is determined with reference to previous purchases, while the intended amounts of purchase for liquid Isomalt, Isomalt AG and Changbao Probiotics under the 2021 Procurement Framework Agreement are based on the factors set out in the Announcement and those set out below.

As disclosed in the Announcement, the proposed annual caps for the transactions under the 2021 Procurement Framework Agreement are set in accordance with the estimated growth in the Group's demand for sugar substitute raw materials and the continuous expansion of the distribution network of the Group. The Company expects that the new medicine production and research and development base of the Group located at Luowei Industrial Concentration Area in Liuzhou, Guangxi Province, would commence production following an official relocation in 2021 and the Group currently anticipates an increase in its annual production capacity. The Group will also have more promotion of its products, which is also expected to increase the demand for raw materials.

In 2021, the Company expects to launch a new series of products, which has already been developing a basic customer base. The Company expects that the launch of the new products will increase its demand for raw materials.

In 2021, the Company has formulated a clear marketing plan regarding online and offline distribution channels for the existing flagship products and the new series of products in 2021, which will lead to an expansion of the distribution network. The Company expects that the network of distributors will continue to expand in 2021, leading to an increase in the demands for the products of the Company, which in turn will lead to an increase in the Company's demand for the raw materials.

Ultimate beneficial owners of Changbao

Apart from Ms. Jiang Peizhen whose interests in Liuzhou Jinqing Equity Investment Centre (LLP)* (“**Jinqing**”) and Liuzhou Jingui Equity Investment Centre (LLP)* (“**Jingui**”) were disclosed in the Announcement, (i) the other ultimate beneficial owners of Jinqing are 33 individuals, including employees of the Company and three Executive Directors, and each of such other ultimate beneficial owners holds less than 5% equity interest in Jinqing; and (ii) the other ultimate beneficial owners of Jingui are 22 individuals, including employees of Changbao and an Executive Director, and each of such other ultimate beneficial owners holds less than 5% equity interest in Jingui.

Mr. Zeng Yong, son of Ms. Jiang Peizhen, holds 4.4% equity interest in Changbao.

By order of the Board
Golden Throat Holdings Group Company Limited
JIANG Peizhen
Chairman

Guangxi, the PRC, 8 January 2021

As at the date of this announcement, the Board consists of Ms. JIANG Peizhen as non-executive Director, Mr. ZENG Yong, Mr. HUANG Jianping, Mr. ZENG Kexiong, Mr. LU Xinghong and Mr. HE Jinqiang as executive Directors, and Mr. LI Hua, Mr. ZHU Jierong and Mr. CHENG Yiqun as independent non-executive Directors.

* For identification purpose only