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## **FRONTAGE HOLDINGS CORPORATION**

**方達控股公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1521)**

### **SUPPLEMENTAL ANNOUNCEMENT RENEWAL OF SERVICES FRAMEWORK AGREEMENT**

Reference is made to the announcement of Frontage Holdings Corporation (the “**Company**”) dated 28 August 2024 in relation to the renewal of the Services Framework Agreement and set the annual caps in relation to the transactions under the Renewed Services Framework Agreement for each of the three years ending 31 December 2027 (the “**Announcement**”). Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Announcement.

The Company would like to provide the following supplemental information in relation to the continuing connected transactions contemplated under the Renewed Services Framework Agreement.

#### **INTERNAL CONTROL MEASURES**

The Group has adopted the following internal control procedures to monitor the continuing connected transactions contemplated under the Renewed Services Framework Agreement:

- before confirming the pricing and terms of proposed connected transactions, the Group will review and consider the pricing offered to or quoted by, as the case may be, two or more Independent Third Parties in respect of transactions of a similar nature and scale in order to determine whether the proposed pricing and terms of the connected transactions are fair, reasonable and no less favourable than those quoted by Independent Third Parties to the Group or no more favourable than those offered by the Group to Independent Third Parties, as the case may be. If no pricing quoted by or offered to Independent Third Parties can be obtained for the purpose of the above comparison, the relevant connected transaction will have to be separately considered and approved by the head of the relevant business unit in order to ensure that the pricing will be fair and reasonable to the Group;
- the Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions (directly or through the head of the relevant business unit) in order for the Company to commence the necessary additional assessment and approval procedures and ensure that the Company will comply with the application requirements under Chapter 14A of the Listing Rules; and

- the Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing connected transactions have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the Renewed Services Framework Agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreement governing the transactions in all material respects or have exceeded the cap.

The Board considers that the above internal control procedures adopted by the Group in connection with the continuing connected transactions with Tigermed Group are appropriate and sufficient, and will give sufficient assurance that the continuing connected transactions will be appropriately monitored by the Group.

By Order of the Board  
**Frontage Holdings Corporation**  
**Dr. Song Li**  
*Chairman*

Hong Kong, 9 September 2024

*As at the date of this announcement, the Board comprises Dr. Song Li as executive director; Dr. Zhihe Li, Ms. Zhuan Yin and Mr. Hao Wu as non-executive directors; and Mr. Yifan Li, Mr. Erh Fei Liu and Dr. Jingsong Wang as independent non-executive directors.*

\* *For identification purposes only*