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新琪安集團股份有限公司
(Newtrend Group Holding Co., Ltd.)

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2573)

**DISCLOSEABLE TRANSACTION –
CONSTRUCTION CONTRACT
IN RELATION TO JI'AN PRODUCTION PLANT**

CONSTRUCTION CONTRACT

On 24 August 2026 (after trading hours), the Company entered into the Construction Contract with Ji'an Taicheng, pursuant to which Ji'an Taicheng agreed to undertake construction works and related services for the construction of the Ji'an production plant and ancillary facilities at the Ji'an Plant, for a contract sum of approximately RMB109.93 million.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) in respect of the transactions contemplated under the Construction Contract are more than 5% but less than 25%, the transaction contemplated thereunder constitutes a discloseable transaction of the Company, and is therefore subject to the reporting and announcement requirements, but exempt from the Shareholders' approval requirement, under Chapter 14 of the Listing Rules.

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The principal terms of the Construction Contract are as follows:

Date : 24 August 2026

Parties : (1) the Company, as the principal; and
(2) Ji'an Taicheng, as the contractor.

Construction content : Ji'an Taicheng shall undertake construction works and related services for the Ji'an production plant and ancillary facilities at the Ji'an Plant.

The Ji'an production plant has a total construction area of approximately 54,636.47 square metres. The scope of work includes but not limited to the construction foundation and main structure of the production plant and other supporting infrastructure (including but not limited to the enclosure walls, water supply and drainage, electricity work and factory roads).

Construction period : The planned commencement date shall be subject to the commencement order. The construction works are expected to commence on 16 September 2026 and be completed no later than 31 December 2027.

Contract sum : The contract sum shall be approximately RMB109.93 million (tax inclusive), including construction fee and material costs in relation to the construction work.

The final settlement amount shall be determined based on the amount verified by the engineering audit firm engaged by the principal, subject to the confirmation by the Company. Based on the Company's current estimate, the final settlement amount is not expected to exceed the contract sum.

- Payment terms : The contract price shall be paid in the following manner:
- (i) **Prepayment:** 10% of the contract sum shall be paid upon signing of the Construction Contract and Ji'an Taicheng has completed its preliminary set up at the Ji'an Plant;
 - (ii) **Progress payment:**
 - (a) 10% of the contract sum shall be paid upon the completion of the foundation works and the main structure of the production plant;
 - (b) 40% of the contract sum shall be paid upon the completion of the topping out of the main construction; and
 - (c) 20% shall be paid upon the completion of the enclosure wall, roofing and internal and external decoration work.
 - (iii) **Upon final settlement:** following final settlement review, payment shall be made up to 97% of the contract sum; and
 - (iv) **Quality assurance deposit:** The remaining 3% shall be retained as deposit for construction quality and shall be refunded without interest upon satisfaction of the contractual quality/defect liability conditions and expiration of the defect liability period.
- Defect liability period : 24 months, being calculated from the date the construction passes the completion inspection.
- Completion : The construction shall be subject to completion inspection, where the completion inspection should pass the relevant standards (including GB50017 and GB14907 in respect of the steel structure).

BASIS FOR DETERMINING THE CONSIDERATION OF THE CONSTRUCTION CONTRACT

The contract sum of the Construction Contract was determined with reference to the construction work cost report as prepared by an independent licensed construction cost engineer. When determining the pricing of the construction, the independent licensed construction cost engineer makes reference to the following factors, including but not limited to, (i) market prices, service conditions and the charging basis for the same or similar services provided by other Independent Third Parties; (ii) the applicable law and guidance for civil and engineering works and updates on such guidance materials issued by the regulatory authorities from time to time; (iii) the prices of major materials to be used in the construction projects, which are based on the construction project information prices announced by the Cost Management Department of the Housing and Urban-Rural Development Bureau (住房及城鄉建設局造價管理部門) of the construction location during the construction period and if such information is not available, the market price of the major materials; and (iv) the relevant construction plan.

The Company will settle the contract sum of the Construction Contract with bank borrowings and internal resources of the Group.

For the reasons set out above, the Directors (including the independent non-executive Directors) consider that the Construction Contract (including the contract sum and payment terms) is on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole, and the Construction Contract is entered into in the ordinary and usual course of business of the Group.

INFORMATION OF THE PARTIES

Ji'an Taicheng is a company established in the PRC with limited liability and is principally engaged in factory and building construction works and municipal construction work outsourcing service. It holds Grade II qualification for municipal public works construction general contracting (二級市政公用工程施工總承包) and Grade II qualification for building construction works general contracting (二級建築工程施工總承包).

Ji'an Taicheng is directly owned as to 40% by Mr. Xiao Jiajun* (肖家軍), 40% by Ms. Xiao Qunying* (肖群英) and 20% by Ms. Xiao Shuangying* (肖霜英).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Ji'an Taicheng and their respective shareholders and ultimate beneficial owners are Independent Third Parties.

INFORMATION OF THE GROUP

The Group is principally engaged in the food additive manufacturing industry, primarily involving the manufacture and sale of food-grade glycine, industrial-grade glycine and sucralose.

No Director has any material interest in the Construction Contract and is required to abstain from voting on the Board's decision regarding the entering into of the Construction Contract.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CONSTRUCTION CONTRACT

The Group is principally engaged in the food additive manufacturing industry, with its business primarily comprising the manufacture and sale of food-grade glycine, industrial-grade glycine and sucralose. Since its establishment, the Group has been committed to the development, research, manufacture and sale of food additives and functional food ingredients, and has established a leading position in the food ingredients industry.

The construction of the Ji'an production plant forms an important part of the Group's business development plan and capacity expansion strategy in the functional food ingredient sector. The Ji'an production plant is planned to undertake projects with an annual production capacity of 40,000 tonnes of dietary fibre and prebiotics, as well as 20,000 tonnes of functional sugar alcohols and, the byproducts, starch sugar. Upon commencement of full operation, the Ji'an production plant is expected to establish large-scale, intelligent and green production capacity covering key high-end functional ingredients, including resistant dextrin, isomalto-oligosaccharide and crystalline maltitol.

Resistant dextrin, isomalto-oligosaccharide and crystalline maltitol are key functional food ingredients which are highly aligned with global consumer trends toward sugar reduction, calorie control and gut health. These ingredients may be widely applied in health-oriented product categories, including sugar-free beverages, meal replacement products, bakery products, dairy products, foods for special medical purposes and premium pet food products.

At present, the global market for high-end functional food ingredients is relatively concentrated among a limited number of leading international companies, while China continues to face a structural supply gap in certain high-end products and a relatively high degree of reliance on imports. Leveraging its proprietary technologies, accumulated production experience, global sales network and established industry position, the Group intends to strategically position itself in this key sector through the development of the Ji'an production plant.

Upon completion, the Ji'an production plant is expected to enhance the Group's production capacity for high-end dietary fibre, prebiotics and functional sugar alcohols, enrich its functional ingredient product portfolio, improve its industrial chain layout and strengthen its overall competitiveness. The Directors believe that the Ji'an production plant will enable the Group to further expand into high-end functional food ingredients, promote the domestic substitution of key ingredients, and support the autonomy and stability of China's health industry supply chain from the supply side.

In addition, through the application of advanced production processes such as enzymatic hydrolysis and precision chromatographic separation, the Ji'an production plant is expected to support the deep processing of grain and the high-value conversion of agricultural resources. It will also help fill the Group's product gap in high-end starch deep-processing applications and further consolidate the Group's strategic position in the global health food ingredients industry.

The construction of the Ji'an production plant is scheduled to commence in September 2026 and expected to be completed no later than 31 December 2027. Equipment installation and commissioning are expected to take approximately 12 months thereafter. Accordingly, the Ji'an production plant is expected to commence operation and production by the end of December 2028.

The Directors consider that the entering into the Construction Contract represents an important step in implementing the Group's business development and capacity expansion strategy. The construction of the Ji'an production plant is therefore expected to provide long-term support for the Group's future development and serve as a strategic platform for advancing Chinese functional ingredients toward the high end of the global value chain.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Company”	Newtrend Group Holding Co., Ltd., a company established in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 2573)
“Construction Contract”	the construction contract entered into between the Company and Ji’an Taicheng dated 24 August 2026
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Ji’an Plant”	Jinggangshan Economic and Technological Development Zone, Ji’an, Jiangxi, PRC (江西省吉安市井岡山經濟技術開發區)
“Ji’an Taicheng”	Ji’an City Taicheng Construction Co., Ltd.* (吉安市泰誠建設工程有限公司), a company established with limited liability in the PRC and an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

- * The English names of the PRC entities referred to in this announcement are translations from their Chinese names and are for identification purposes only. If there is any inconsistency, the Chinese names shall prevail.

By order of the Board
Newtrend Group Holding Co., Ltd.
Mr. Wang Xiaoqiang
Chairman of the Board and Executive Director

Ji’an, PRC, 24 August 2026

As at the date of this announcement, the Board comprises Mr. Wang Xiaoqiang, Mr. Wang Hao, Ms. Chen Lijun and Ms. Zuo Yue as executive Directors; and Dr. Song Jingjin, Dr. Zhang Xi and Mr. Lo Kwing Yu as independent non-executive Directors.