



菁裕企業發展(山東)有限公司
Jingyu Enterprise Development
(Shandong) Co., Ltd.*

*(a company incorporated in the People's Republic of
China with limited liability)*

凤祥食品
SHANDONG FENGXIANG CO., LTD.
山東鳳祥股份有限公司
*(a joint stock company incorporated in the People's
Republic of China with limited liability)*
(Stock code: 9977)

Proposed privatisation of Shandong Fengxiang Co., Ltd.

by the Offeror by way of merger by absorption at the Cancellation Price of:⁽²⁾

- (a) **HK\$2.0 per H Share** to the H Shareholders for the cancellation of the H Shares; and
- (b) **RMB1.858440 per Domestic Share**, which is equivalent to the Cancellation Price of each H Share based on the Exchange Rate, to the Domestic Shareholders for the cancellation of the Domestic Shares,

in each case other than Falcon Holding and Platinum Peony

EGM and H Share Class Meeting will be held at 9:30 a.m. and 10:00 a.m. (or immediately following the conclusion of the EGM or any adjournment thereof), respectively, on Thursday, 24 July 2025 at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC to consider and, if thought fit, approve matters including the Merger and the Rollover Arrangement (as the case may be)

Latest time for lodging transfers of the H Shares in order to be entitled to attend and vote at the EGM and the H Share Class Meeting is 4:30 p.m. on Friday, 18 July 2025

Latest time for lodging proxy form(s) in respect of the EGM and the H Share Class Meeting is at 9:30 a.m. and 10:00 a.m., respectively, on Wednesday, 23 July 2025

Whether or not you are able to attend the EGM and/or the H Share Class Meeting in person, please complete and return the proxy form(s) in accordance with the instructions printed thereon

For further details, please refer to the Composite Document⁽¹⁾

If you have any purely administrative or procedural queries in respect of the Merger, feel free to call the hotline at +852 2652 4330 or email Shandong_Fengxiang@investor.sodali.com⁽⁵⁾

Notes:

- (1) Capitalised terms used herein shall have the same meanings as defined in the Composite Document dated 5 July 2025. The Composite Document can be accessed at www.hkexnews.hk or <https://www.fengxiang.com/>.
- (2) Subject to the satisfaction or waiver, as appropriate, of the Conditions to effectiveness and the Conditions to implementation as set out in the Composite Document.
- (3) Shareholders are strongly advised to consider carefully information contained in the Composite Document, including the "Letter from the Board" and "Letter from the Independent Financial Adviser", and consult their professional advisers if in doubt as to actions to be taken.
- (4) This sheet is issued by the Company and the Offeror and is not for release in or into any jurisdiction where to do so would constitute a violation of the applicable laws or regulations of such jurisdiction.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained herein (other than information relating to the Company) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed herein (other than those expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained herein, the omission of which would make any of the statements herein misleading. The directors of Falcon Holding GP Limited (being the general partner of Falcon Holding) and PAG Asia Capital GP IV Limited (being the general partner of PAG Fund IV) jointly and severally accept full responsibility for the accuracy of the information contained herein (other than information relating to the Company) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed herein (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained herein, the omission of which would make any of the statements herein misleading. The Directors jointly and severally accept full responsibility for the accuracy of the information contained herein (other than information relating to the Offeror, Falcon Holding and any parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed herein (other than those expressed by the sole director of the Offeror and the directors of Falcon Holding GP Limited and PAG Asia Capital GP IV Limited in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained herein, the omission of which would make any of the statements herein misleading.

- (5) For the avoidance of doubt, the designated phone line or email account cannot and will not: (i) provide any information not available in the public domain nor any advice on the merits or risks of the Merger and the Rollover Arrangement; or (ii) give any financial or legal advice. If you are in doubt as to any aspect of the Composite Document or actions to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Merger, this Composite Document or as to the action to be taken, you should consult a licensed securities dealer or other registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser (including tax adviser).

If you have sold or transferred all your shares in the Company, you should at once hand this Composite Document and the accompanying forms of proxy to the purchaser(s) or the transferee(s), or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Composite Document and the accompanying forms of proxy, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying forms of proxy.



凤祥食品

菁裕企業發展(山東)有限公司
Jingyu Enterprise Development
(Shandong) Co., Ltd.*

(a company incorporated in the People's Republic of
China with limited liability)

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

**(1) PROPOSED PRIVATISATION OF SHANDONG FENGXIANG CO., LTD.
BY THE OFFEROR BY WAY OF MERGER BY ABSORPTION
(2) PROPOSED WITHDRAWAL OF LISTING
(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT
(4) IRREVOCABLE UNDERTAKINGS
(5) NOTICE OF THE EXTRAORDINARY GENERAL MEETING
AND
(6) NOTICE OF THE H SHARE CLASS MEETING**

Financial adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



金融有限公司
OCTAL Capital Limited

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed "DEFINITIONS" in this Composite Document.

This Composite Document is jointly issued by the Company and the Offeror. A letter from the Board is set out on pages 10 to 39 of this Composite Document. A letter from the Independent Board Committee containing its recommendations to the Independent H Shareholders is set out on pages 40 to 41 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee is set out on pages 42 to 75 of this Composite Document.

The notices convening the EGM and the H Share Class Meeting to be held at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC on Thursday, 24 July 2025 (i) in relation to the EGM, at 9:30 a.m., and (ii) in relation to the H Share Class Meeting, at 10:00 a.m., or immediately following the conclusion of the EGM or any adjournment thereof are contained in this Composite Document. Shareholders are advised to read the notices and to complete and return the enclosed forms of proxy for use at the EGM and the H Share Class Meeting in accordance with the instructions printed thereon.

Whether or not you are able to attend and vote at the EGM and H Share Class Meeting or any adjournment thereof in person, you are requested to complete and return the accompanying forms of proxy in accordance with the instructions printed thereon and return them to the Company's registered office at Liiumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for Domestic Shareholders) or to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders), together with the power of attorney or other authority (if any) under which it is signed (or a notorially certified copy thereof), as soon as possible and in any event not later than 24 hours before the time appointed for holding the EGM and the H Share Class Meeting or any adjournment thereof (as the case may be).

Completion and return of the forms of proxy will not preclude you from attending and voting in person at the EGM, the H Share Class Meeting or any adjournment thereof should you so wish and in such event, the forms of proxy shall be deemed to be revoked.

* For identification purposes only.

5 July 2025

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made as and when appropriate.

Unless otherwise expressly stated, all references to times and dates in this Composite Document refer to Hong Kong times and dates.

Latest time for lodging transfers of

H Shares in order to be entitled to attend and
vote at the EGM and the H Share Class Meeting 4:30 p.m. on
Friday, 18 July 2025

Closure of registers for transfers of Shares for

determination of the Shareholders entitled to attend and
vote at the EGM and the H Share Class Meeting Monday, 21 July 2025 to
Thursday, 24 July 2025
(both dates inclusive)

Latest time for lodging forms of proxy in respect of the EGM 9:30 a.m. on
Wednesday, 23 July 2025

Latest time for lodging forms of proxy in respect of

the H Share Class Meeting 10:00 a.m. on
Wednesday, 23 July 2025

Record date for Shareholders for the EGM and the H Shareholders

for the H Share Class Meeting Thursday, 24 July 2025

EGM 9:30 a.m. on
Thursday, 24 July 2025

EXPECTED TIMETABLE

H Share Class Meeting	10:00 a.m. on Thursday, 24 July 2025 or immediately following the conclusion of the EGM or any adjournment thereof on Thursday, 24 July 2025
Expected date for all Conditions to effectiveness to be satisfied ⁽¹⁾	Thursday, 24 July 2025
Announcement of the results of the EGM and the H Share Class Meeting, satisfaction of all Conditions to effectiveness, last day for dealings in H Shares and expected date of withdrawal of listing of H Shares ⁽²⁾	By 7:00 p.m. on Thursday, 24 July 2025
Resumption of registers for transfer of Shares	Friday, 25 July 2025
Last day for dealings in H Shares	4:10 p.m. on Friday, 25 July 2025
Latest time for lodging transfers of H Shares in order to be entitled to receive the Cancellation Price	4:30 p.m. on Wednesday, 30 July 2025
Announcement on satisfaction (or waiver, as applicable) of all Conditions to implementation ⁽²⁾	By 8:30 a.m. on Thursday, 31 July 2025
Closure of registers of members of the Company (until the Company's deregistration occurs)	From Thursday, 31 July 2025 onwards
Expected date and time of withdrawal of listing of H Shares	4:00 p.m. on Thursday, 31 July 2025
Each of the Offeror and the Company notifies its creditors and makes a public announcement of the Merger pursuant to the PRC Company Law	Within 10 days (for the notice to creditors) i.e. by Sunday, 3 August 2025 and 30 days (for the announcement) i.e. by Saturday, 23 August 2025 following the EGM and the H Share Class Meeting

EXPECTED TIMETABLE

Latest date for payment of the Cancellation Price
to the H Shareholders (other than Falcon Holding
and Platinum Peony)⁽³⁾ Monday, 11 August 2025

End of the period during which creditors
may request the Offeror and the Company to pay off
their respective indebtedness or provide guarantees Within 30 days after the receipt
of notice by creditors or
45 days after the issue of announcement
to creditors if the aforesaid notice
has not been received by creditors
(whichever is the latest)

Notes:

- (1) The Conditions to effectiveness shall be satisfied upon passing of the requisite resolutions at the EGM and the H Share Class Meeting as set out in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT — Conditions to effectiveness*” in the “LETTER FROM THE BOARD” of this Composite Document.
- (2) The Offeror and the Company will jointly publish announcement(s) when or as soon as reasonably practicable after all Conditions to effectiveness have been satisfied and the Conditions to implementation have been satisfied or waived, as appropriate.
- (3) Payment of Cancellation Price to the H Shareholders (other than Falcon Holding and Platinum Peony) will be made by way of cheques, which will be sent by ordinary post at the risk of the persons entitled thereto at their respective registered addresses with the Company. Pursuant to the Merger Agreement, the Offeror will issue its registered capital to Platinum Peony after the Delisting Date and on a date to be separately agreed between the Offeror and Platinum Peony. As payment of the Cancellation Price to all Domestic Shareholders (other than Falcon Holding) is subject to completion of certain administrative procedures required under applicable PRC Laws, payment may not be completed within seven (7) business days after fulfilment (or waiver, if applicable) of the Pre-Conditions and all the Conditions (being the Conditions to effectiveness and the Conditions to implementation) as required under Rule 20.1 of the Takeovers Code. Based on the above, the Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code in relation to the settlement of the Cancellation Price payable to all Domestic Shareholders (other than Falcon Holding) and Platinum Peony respectively.

Shareholders and potential investors in the securities of the Company should be aware that the expected last day for dealings in H Shares will be Friday, 25 July 2025. In order for the transferee to be entitled to receive the Cancellation Price, the transfer documents and the relevant share certificates must be lodged with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by 4:30 p.m. on Wednesday, 30 July 2025.

If the transfer documents and the relevant share certificates are not lodged with the Company’s H Share registrar by 4:30 p.m. on Wednesday, 30 July 2025 as set out above, the transferee will not be entitled to receive the Cancellation Price.

EXPECTED TIMETABLE

Shareholders and potential investors in the securities of the Company should be aware that the Merger is subject to the Conditions set out in this Composite Document being satisfied or waived, as applicable, and neither the Offeror nor the Company provides any assurance that any or all of the Conditions can be satisfied, and thus the Merger Agreement may or may not become effective or, if effective, may or may not be implemented or completed. Shareholders and potential investors in the securities of the Company should therefore exercise caution when dealing in the securities of the Company.

Persons who are in doubt as to the action to take and the implications arising from the Merger should consult their stockbroker, bank manager, solicitor or other professional advisers (including tax adviser regarding the tax consequences of the cancellation of the H Shares and the implementation of the Merger).

IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to this Composite Document as a whole and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of this Composite Document. In, and as a result of, accessing this Composite Document you agree, and you are deemed to agree, to be bound by the following terms and conditions.

NOTICE TO SHAREHOLDERS OUTSIDE OF HONG KONG

The making of the proposal of the Merger to the Overseas Shareholders may be subject to the laws of the relevant jurisdictions. Overseas Shareholders should observe any applicable legal or regulatory requirements. It is the responsibility of the Overseas Shareholders wishing to vote in favour of the Merger and accept the proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due by the Overseas Shareholders in such jurisdiction.

As at the Latest Practicable Date, there were ten Overseas Shareholders whose address as shown in the register of members of the Company was outside Hong Kong, and such Overseas Shareholders held 1,045,000,000 Domestic Shares and 319,883,505 H Shares in aggregate (representing approximately 86.20% of the total issued share capital of the Company), among which: (i) one Overseas Shareholder whose address is in the Cayman Islands (being Falcon Holding) held 992,854,500 Domestic Shares and 137,265,505 H Shares in aggregate (representing approximately 71.38% of the total issued share capital of the Company), (ii) one Overseas Shareholder whose address is in the United Arab Emirates (being Platinum Peony) held 156,679,000 H Shares (representing approximately 9.90% of the total issued share capital of the Company), (iii) one Overseas Shareholder whose address is in the British Virgin Islands (being Chelt) held 25,939,000 H Shares (representing approximately 1.64% of the total issued share capital of the Company), and (iv) seven Overseas Shareholder whose address is in the PRC held 52,145,500 Domestic Shares in aggregate (representing approximately 3.29% of the total issued share capital of the Company).

NOTICE TO U.S. HOLDERS OF SHARES

The Merger will involve the cancellation of the securities of a company incorporated in the PRC with limited liability by means of a merger by absorption provided for under the laws of the PRC. The Merger is subject to Hong Kong disclosure requirements, which are different from those of the United States. The financial information included in this Composite Document has been prepared in accordance with China Accounting Standards for Business Enterprises and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

IMPORTANT NOTICE

The receipt of cash as consideration for the cancellation of the Shares by a U.S. holder of Shares pursuant to the Merger may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each Shareholder is urged to consult his/her/its independent professional advisor immediately regarding the tax consequences of the implementation of the Merger.

U.S. holders of Shares may encounter difficulty enforcing their rights and any claim arising out of the U.S. federal securities laws, as the Offeror and the Company are located in a country outside the United States and some or all of their respective officers and directors may be residents of a country other than the United States. U.S. holders of Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, U.S. holders of Shares may encounter difficulty compelling a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates, or its nominees, or their respective brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Merger, before or during the Offer Period. In accordance with the Takeovers Code and Rule 14e-5(b) of the U.S. Exchange Act, CICC and its affiliates may continue to act as exempt principal traders in the Shares on the Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that (i) any such purchase or arrangement complies with applicable law, including but not limited to the Takeovers Code, and is made outside the United States and (ii) the Cancellation Price is increased to match any consideration paid in any such purchase or arrangement. Any information about such purchases will be reported to the SFC in accordance with the requirements of the Takeovers Code and, to the extent made public by the SFC, will be available on the websites of the SFC at <http://www.sfc.hk> and the Stock Exchange at www.hkexnews.hk.

ACTIONS TO BE TAKEN

Whether or not they are able to attend the EGM or the H Share Class Meeting (where applicable) in person, the Shareholders are strongly urged to indicate their voting instructions and complete and sign the enclosed form of proxy in respect of the EGM in accordance with the instructions printed thereon and the H Shareholders are strongly urged to indicate their voting instructions and complete and sign the enclosed form of proxy in respect of the H Share Class Meeting in accordance with the instructions printed thereon as soon as possible, but in any case not later than the following respective times:

- (1) in the case of the form of proxy for use at the EGM, the Shareholders are requested to deposit such form of proxy no later than 9:30 a.m. on Wednesday, 23 July 2025 at the Company's H Share registrar in Hong Kong (in respect of H Shareholders) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong or at the Company's registered office for Domestic Shares (in respect of Domestic Shareholders) at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC; and
- (2) in the case of the form of proxy for use at the H Share Class Meeting, the H Shareholders are requested to deposit such form of proxy no later than 10:00 a.m. on Wednesday, 23 July 2025 at the Company's H Share registrar in Hong Kong at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

In the event that the relevant form of proxy has been returned to the Company's H Share registrar in Hong Kong or the Company's registered office (as the case may be) after the abovementioned deadline (where applicable), it will be considered to be invalid and will not be taken into account. The completion and return of a form of proxy for any of the meetings will not preclude you from attending and voting in person at the relevant meetings or any adjournment thereof, should you so wish. In the event that you attend and vote at any of the meetings or any adjournment thereof after having deposited the relevant form of proxy, that form of proxy will be deemed to have been revoked.

The latest time for lodging transfers of H Shares in order to be entitled to attend and vote at the EGM and the H Share Class Meeting is 4:30 p.m. on Friday, 18 July 2025. For the purpose of determining the entitlements of the Shareholders to attend and vote at the EGM and the H Shareholders to attend and vote at the H Share Class Meeting, the Company's registers of members will be closed from Monday, 21 July 2025 to Thursday, 24 July 2025 (both dates inclusive). During such period, no transfer of Shares will be effected.

Only Shareholders whose names are on the Company's registers of members on Thursday, 24 July 2025 are entitled to vote at the relevant meetings. Each Shareholder on the Company's registers of members on Thursday, 24 July 2025 is entitled to cast one vote per Share in respect of the Merger and the Rollover Arrangement at the EGM. Each Independent H Shareholder on the Company's registers of members on Thursday, 24 July 2025 is entitled to cast one vote per H Share in respect of the Merger at the H Share Class Meeting.

ACTIONS TO BE TAKEN

An announcement will be made jointly by the Offeror and the Company in relation to the result of the EGM and the H Share Class Meeting. Further announcement(s) will be made as and when appropriate in respect of the satisfaction or waiver, as appropriate, of the Conditions to effectiveness and the Conditions to implementation.

ENQUIRY HOTLINE AND EMAIL

If you have any queries purely of an administrative and procedural nature regarding the Merger, please reach out via the following ways:

Phone: +852 2652 4330

Email: Shandong_Fengxiang@investor.sodali.com

Office hours: 9:00 a.m. to 5:00 p.m.

Mondays to Fridays (excluding weekends and public holidays in Hong Kong)

This hotline is managed by Sodali & Co, an external service provider engaged by the Offeror. For the avoidance of doubt, the designated phone line or email account cannot and will not: (i) provide any information not available in the public domain nor any advice on the merits or risks of the Merger; or (ii) give any financial or legal advice. **If you are in doubt as to any aspect of this Composite Document or actions to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.**

DEFINITIONS

In this Composite Document, the following expressions have the meanings set out below, unless the context requires otherwise:

“2021 SAS Trustee”	Futu Trustee Limited, the trustee of the 2021 Share Award Scheme for the time being;
“2021 Share Award Scheme”	the share award scheme of the Company adopted on 10 December 2021;
“2023 SAS Trustee”	Futu Trustee Limited, the trustee of the 2023 Share Award Scheme for the time being;
“2023 Share Award Scheme”	the share award scheme of the Company adopted on 29 August 2023;
“acting in concert”	has the meaning ascribed thereto in the Takeovers Code;
“Articles”	the articles of association of the Company;
“associate(s)”	has the meaning ascribed thereto in the Takeovers Code;
“associated companies”	has the meaning ascribed thereto in the Takeovers Code;
“Board”	board of directors of the Company;
“business day”	a day on which the Stock Exchange is open for the transaction of business;
“Cancellation Price”	the cancellation price of HK\$2.0 per H Share and RMB1.858440 per Domestic Share payable in cash by the Offeror to the Shareholders (other than Falcon Holding and Platinum Peony), as described in the section headed “3. <i>PRINCIPAL TERMS OF THE MERGER AGREEMENT</i> ” in the “ <i>LETTER FROM THE BOARD</i> ” in this Composite Document;
“Capital Increase Agreement”	the capital increase agreement to be entered into between the Offeror and Platinum Peony in connection with the Rollover Arrangement;
“Chelt”	Chelt Trading Ltd., a company incorporated under the laws of the British Virgin Islands, and an IU Shareholder;

DEFINITIONS

“China Accounting Standards for Business Enterprises”	Accounting Standard for Business Enterprises — Basic Standard issued by the Ministry of Finance of the PRC and respective specific accounting standards, application guidelines for accounting standards for business enterprises, interpretation for accounting standards for business enterprises, and other relevant regulations;
“CICC”	China International Capital Corporation Hong Kong Securities Limited, the financial adviser to the Offeror in respect of the Merger. CICC is a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities;
“Company”	Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司) (stock code: 9977), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange;
“Composite Document”	this document issued by or on behalf of the Offeror and the Company to all Shareholders in accordance with the Takeovers Code containing, among others, details of the Merger and the Rollover Arrangement, as may be revised or supplemented as appropriate
“Conditions”	has the meaning given to it in the section headed “3. <i>PRINCIPAL TERMS OF THE MERGER AGREEMENT</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“Conditions to effectiveness”	has the meaning given to it in the section headed “3. <i>PRINCIPAL TERMS OF THE MERGER AGREEMENT</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“Conditions to implementation”	has the meaning given to it in the section headed “3. <i>PRINCIPAL TERMS OF THE MERGER AGREEMENT</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;

DEFINITIONS

“Declaration Period”	a period commencing on the date on which the Merger is approved at EGM and the H Share Class Meeting respectively and expiring on the fifth (5th) business day (which, solely for the purpose of this definition, shall exclude Saturday, Sunday and public holidays in the PRC) from (and including) the date on which the Merger is approved at EGM and the H Share Class Meeting respectively, during which any Dissenting Shareholder may declare to exercise its right;
“Delisting Date”	the date on which the listing of the Company on the Stock Exchange has been withdrawn;
“Despatch Date”	the date of despatch of this Composite Document to the Shareholders as required by the Takeovers Code, being 5 July 2025;
“Director(s)”	director(s) of the Company;
“Dissenting Shareholder”	a Shareholder who has validly voted against the resolutions in respect of the Merger at the EGM and, if applicable, the H Share Class Meeting (as the case may be) and has requested the Company to acquire its Shares at a “reasonable price”;
“Domestic Share(s)”	the issued ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC nationals and/or PRC-incorporated entities;
“Domestic Shareholder(s)”	holder(s) of the Domestic Shares from time to time;
“EGM”	the extraordinary general meeting of the Company to be convened at 9:30 a.m. on Thursday, 24 July 2025 at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC, or any adjournment thereof, to consider and, if thought fit, approve the Merger Agreement, the Merger and relevant arrangements (including the Rollover Arrangement), which will be chaired by Mr. Chung Wai Man, an independent non-executive Director;
“Exchange Rate”	the exchange rate of HK\$1:RMB0.92922, which is the latest available central parity rate of RMB to HK\$ as at the date of the Joint Announcement as announced by the People’s Bank of China;

DEFINITIONS

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“exempt fund manager”	has the meaning given to it under the Takeovers Code;
“exempt principal trader”	has the meaning given to it under the Takeovers Code;
“Exercise Date”	the date on which the Company (or the Offeror, if so requested by the Company) pays cash consideration to Dissenting Shareholders who exercise their right to request the Company (or the Offeror, if so requested by the Company) to acquire the Shares held and effectively declared by them at “reasonable price”, which will be decided and announced by the Company;
“Falcon Holding”	Falcon Holding LP, a limited partnership formed in the Cayman Islands and having its registered office at PO Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1106, Cayman Islands, the details of which are set out in as further described in the section headed “9. INFORMATION ON THE OFFEROR AND THE COMPANY” in the “LETTER FROM THE BOARD” in this Composite Document;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the issued overseas listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in HK\$ and listed on the Main Board of the Stock Exchange;
“H Share Class Meeting”	the H shareholders class meeting of the Company to be convened for the Independent H Shareholders at 10:00 a.m. or immediately following the conclusion of the EGM on Thursday, 24 July 2025 at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC, or any adjournment thereof, to consider and, if thought fit, approve the Merger Agreement, the Merger and relevant arrangements, which will be chaired by Mr. Chung Wai Man, an independent non-executive Director;
“H Shareholder(s)”	the holder(s) of H Shares from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	the independent board committee established by the Company for the purposes of considering the Merger and the Rollover Arrangement, which comprises all of the independent non-executive Directors, being Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man;
“Independent Financial Adviser” or “Octal Capital”	Octal Capital Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, and being the independent financial adviser appointed by the Company with the approval from the Independent Board Committee to advise the Independent Board Committee and the Independent H Shareholders in respect of (among other things) the Merger and the Rollover Arrangement;
“Independent H Shareholders”	the H Shareholders other than the Offeror and any party acting in concert with it (including Falcon Holding, Platinum Peony and Chelt);
“Irrevocable Undertakings”	the irrevocable undertakings given by the IU Shareholders in favour of the Offeror on 8, 9 and 10 April 2025, details of which as described in the section headed “6. <i>IRREVOCABLE UNDERTAKINGS</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“IU Shares”	have the meaning given to it in the section headed “6. <i>IRREVOCABLE UNDERTAKINGS</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“IU Shareholders”	collectively, JinYi Capital, Chelt, NTF Asset Management and Shenzhen Capital Value Partners GBA Fund;
“JinYi Capital”	JinYi Capital Multi-Strategy Fund SPC Ltd., a company incorporated in the Cayman Islands, and an IU Shareholder;
“Joint Announcement”	the announcement jointly published by the Offeror and the Company dated 11 April 2025, which states, among other things, the proposal of the Merger of the Offeror and the Company in accordance with the Merger Agreement;
“Last Trading Date”	14 March 2025, being the last trading day for the H Shares on the Stock Exchange immediately prior to the publication of the Joint Announcement;

DEFINITIONS

“Latest Practicable Date”	3 July 2025, being the latest practicable date prior to the printing of this Composite Document for the purpose of ascertaining certain information contained therein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long-stop Date”	11 January 2026, being the last date the Pre-Conditions, the Conditions to effectiveness and the Conditions to implementation can be satisfied, unless the Offeror and the Company otherwise agree, subject to the consent of the Executive;
“Merger”	the proposed merger by absorption of the Company by the Offeror in accordance with the PRC Company Law and other applicable PRC Laws as contemplated under the Merger Agreement;
“Merger Agreement”	the merger agreement entered into between the Offeror and the Company on 11 April 2025 in relation to the Merger;
“NAV”	has the meaning given to it in the section headed “4. <i>CANCELLATION PRICE</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“NTF Asset Management”	NTF Asset Management Limited, a limited liability company incorporated in Hong Kong, and an IU Shareholder;
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing on 11 April 2025 (the date of the Joint Announcement) and ending on the date that the Merger becomes unconditional (i.e., all of the Pre-Conditions and Conditions are fulfilled or waived, as applicable) or the date on which the Merger is not approved or otherwise lapses or the date determined by the Executive as the date on which the relevant offer period shall end, whichever is earlier;
“Offeror”	Jingyu Enterprise Development (Shandong) Co., Ltd.* (菁裕企業發展(山東)有限公司), a company incorporated in the PRC with limited liability which is wholly-owned by Falcon Holding;

DEFINITIONS

“Outstanding Share Awards”	have the meaning given to it in the section headed “9. <i>INFORMATION ON THE OFFEROR AND THE COMPANY</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;
“Overseas Shareholders”	Shareholders whose names appear on the register of members of the Company and whose addresses are in a place outside Hong Kong;
“PAG”	PAG, formerly known as PAG Holdings Limited, a company incorporated in the Cayman Islands with limited liability on 28 June 2010;
“PAG Fund IV”	PAG Asia IV LP, a limited partnership formed in the Cayman Islands and having its registered office at PO Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1106, Cayman Islands, being the largest limited partner of Falcon Holding as at the Latest Practicable Date;
“Platinum Peony”	Platinum Peony B 2023 RSC Limited, a restricted scope company incorporated under the laws and regulations of the Abu Dhabi Global Market (in the Emirate of Abu Dhabi, United Arab Emirates);
“PRC” or “China”	the People’s Republic of China, which for the purposes of this Composite Document does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan unless the context otherwise specifies;
“PRC Company Law”	the Company Law of the PRC, as amended, supplemented or otherwise modified from time to time;
“PRC Laws”	any and all laws, regulations, statutes, rules, decrees, notices, the supreme court’s judicial interpretations and other regulatory documents, including any amendments, revisions, supplements, interpretations and reformulations thereof, as may be in force and publicly available in the PRC from time to time;
“Pre-Conditions”	have the meaning given to it in the section headed “3. <i>PRINCIPAL TERMS OF THE MERGER AGREEMENT</i> ” in the “LETTER FROM THE BOARD” in this Composite Document;

DEFINITIONS

“Relevant Period”	the period commencing from 11 October 2024 (i.e. the date that is six months prior to the date of the Joint Announcement) and ending on and including the Latest Practicable Date;
“RMB”	Renminbi, the lawful currency of the PRC;
“Rollover Arrangement”	the arrangement pursuant to which the Offeror will settle the Cancellation Price payable for the cancellation of the H Shares held by Platinum Peony through issuance of the registered capital of the Offeror as described in the section headed “5. <i>SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT</i> ” in the “ <i>LETTER FROM THE BOARD</i> ” in this Composite Document (including the Capital Increase Agreement and the Shareholders Agreement);
“Rule 3.8 Announcement”	the announcement published by the Company dated 30 June 2025 pursuant to Rule 3.8 of the Takeovers Code;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as revised, supplemented or otherwise modified from time to time);
“Shareholders”	H Shareholders and Domestic Shareholders;
“Shareholders Agreement”	the shareholders agreement to be entered into between Falcon Holding and Platinum Peony, the key terms of which are further disclosed in the section headed “5. <i>SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT</i> ” in the “ <i>LETTER FROM THE BOARD</i> ” in this Composite Document;
“Shares”	collectively, H Shares and Domestic Shares;
“Shenzhen Capital Value Partners GBA Fund”	Shenzhen Capital Value Partners Greater Bay Area Opportunity Limited Partnership Fund, a limited partnership fund incorporated in Hong Kong, and an IU Shareholder;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC (as revised, supplemented or otherwise modified from time to time);

DEFINITIONS

“trading day”	a day on which the Stock Exchange is open for dealing or trading in securities;
“United States” or “U.S.”	the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
“U.S. Exchange Act”	the U.S. Securities Exchange Act of 1934, as amended;
“US\$”	US dollars, the lawful currency of the United States; and
“%”	per cent.

* *For identification purposes only.*



凤祥食品

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

Executive Directors:

Mr. Xiao Dongsheng (*General Manager*)

Mr. Shi Lei

Non-executive Directors:

Mr. Qiu Zhongwei

Mr. Lu Wei

Mr. Zhu Lingjie (*Chairman*)

Ms. Zhou Ruijia

Independent non-executive Directors:

Ms. Wang Anyi

Ms. Zhao Yinglin

Mr. Chung Wai Man

Registered Office:

Liumiao Village

Anle Town

Yanggu County

Liaocheng City

Shandong Province

PRC

*Principal place of business
in Hong Kong:*

31/F, Tower Two

Times Square

1 Matheson Street

Causeway Bay

Hong Kong

5 July 2025

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED PRIVATISATION OF SHANDONG FENGXIANG CO., LTD.
BY THE OFFEROR BY WAY OF MERGER BY ABSORPTION
(2) PROPOSED WITHDRAWAL OF LISTING
(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT
AND
(4) IRREVOCABLE UNDERTAKINGS**

LETTER FROM THE BOARD

1. INTRODUCTION

Reference is made to the Joint Announcement dated 11 April 2025 in which the Offeror and the Company jointly announced that the Offeror and the Company entered into the Merger Agreement, pursuant to which the Offeror and the Company will implement the Merger subject to the terms and conditions of the Merger Agreement, including the Pre-Conditions and the Conditions. After the Merger, the Company will be merged into and absorbed by the Offeror in accordance with the PRC Company Law and other applicable PRC Laws.

2. PROPOSED TRANSACTION

Pursuant to the Merger Agreement, conditional upon the fulfilment (or waiver, as applicable) of the Pre-Conditions and the Conditions, the Offeror will pay the Cancellation Price in the amount of (a) HK\$2.0 per H Share to the H Shareholders for the cancellation of the H Shares and (b) RMB1.858440 per Domestic Share, which is equivalent to the Cancellation Price of each H Share based on the Exchange Rate, to the Domestic Shareholders for the cancellation of the Domestic Shares, other than Falcon Holding (being the parent company of the Offeror) and Platinum Peony (being a party acting in concert with the Offeror) as described in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” below.

The amount of aggregate Cancellation Price required to be paid by the Offeror to cancel (i) the H Shares held by the H Shareholders and (ii) the Domestic Shares held by the Domestic Shareholders, other than Falcon Holding and Platinum Peony (as described in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” below), is HK\$488,806,990 and approximately RMB96,909,284, respectively.

As at the date of the Joint Announcement and the Latest Practicable Date, there are no outstanding dividends which have been declared by the Company and not yet paid. If, after the date of the Joint Announcement, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the gross amount or value of such dividend, distribution and/or, as the case may be, return of capital (before tax) after consultation with the Executive, in which case any reference in the Joint Announcement, this Composite Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. Pursuant to the Merger Agreement, the Company has undertaken that it shall not announce, declare or pay any dividend, other distribution or other return of capital before termination of the Merger Agreement or the Delisting Date (whichever is earlier).

After the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

LETTER FROM THE BOARD

3. PRINCIPAL TERMS OF THE MERGER AGREEMENT

The principal terms and conditions of the Merger Agreement include:

Parties

- (1) the Offeror; and
- (2) the Company.

Overview of the Merger

Subject to the terms and conditions of the Merger Agreement, which will involve a cancellation of all the Shares and the subsequent absorption of the Company by the Offeror, the Merger will be implemented by the Offeror merging the Company by way of merger by absorption.

After the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

Consideration

Pursuant to the Merger Agreement, conditional upon the fulfilment (or waiver, as applicable) of the Pre-Conditions, the Conditions to effectiveness and the Conditions to implementation set out in the paragraphs headed “*Pre-Conditions to the Merger Agreement becoming effective*”, “*Conditions to effectiveness*” and “*Conditions to implementation*” below, the Offeror will pay the Cancellation Price in the amount of (a) HK\$2.0 per H Share to the H Shareholders for the cancellation of the H Shares and (b) RMB1.858440 per Domestic Share, which is equivalent to the Cancellation Price of each H Share based on the Exchange Rate, to the Domestic Shareholders for the cancellation of the Domestic Shares, in each case other than Falcon Holding and Platinum Peony, as described below.

LETTER FROM THE BOARD

Pursuant to the Merger Agreement, subject to the same conditions as set out above, in consideration for the cancellation of the H Shares and the Domestic Shares held by Falcon Holding and the H Shares held by Platinum Peony, each of Falcon Holding and Platinum Peony will be issued with RMB1.858440 registered capital of the Offeror for each H Share or Domestic Share, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share or Domestic Share. It is contemplated that the Offeror will enter into a capital increase agreement with each of Falcon Holding and Platinum Peony to document the aforementioned arrangement within two months after the Conditions have been satisfied.

Platinum Peony has issued a confirmation letter to the Offeror, pursuant to which Platinum Peony confirms that, subject to (i) the final offer price for the cancellation of H Shares held by Platinum Peony under the Merger being HK\$2.0 per H Share, and the registered capital of the Offeror to be issued to Platinum Peony being RMB291,178,520.76, (ii) the signing of the Merger Agreement in the form attached to the confirmation letter, and (iii) there being no material deviation between the form and contents of the executed version of the Merger Agreement with the agreed form and contents of such agreement as appended to the confirmation letter, Platinum Peony agrees to be issued with RMB1.858440 registered capital of the Offeror for each H Share it holds, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share, in consideration for the cancellation of the H Shares it holds pursuant to the Merger Agreement.

LETTER FROM THE BOARD

Falcon Holding has also issued a confirmation letter to Platinum Peony, pursuant to which Falcon Holding agrees and undertakes that (i) exercising its rights as a shareholder of the Offeror, it will procure the Offeror to implement the Merger and the Rollover Arrangement in accordance with the terms set out in the Joint Announcement, and to comply with and perform its obligations under the Merger Agreement and, subject to the Pre-conditions and Conditions being satisfied or waived, proceed with the transactions contemplated thereunder in accordance with the terms of the Merger Agreement; (ii) subject to the Pre-conditions and Conditions being satisfied or waived, exercising its rights as a shareholder of the Offeror, it will procure the Company to proceed with the transactions contemplated under the Merger Agreement; (iii) subject to the Rollover Arrangement being approved by the Independent H Shareholders at the EGM, (a) it will execute the Shareholders Agreement, substantially in the form appended to the confirmation letter, within two months after the Conditions have been satisfied, (b) it will approve the amended articles of association of the Offeror at the same time as the Shareholders Agreement is executed, (c) exercising its rights as a shareholder of the Offeror, it will procure the Offeror to execute the Capital Increase Agreement at the same time as the Shareholders Agreement is executed, (d) exercising its rights as a shareholder of the Offeror, it will procure the Offeror to issue to Platinum Peony RMB291,178,520.76 in the registered capital of the Offeror at the same time as the signing of the Capital Increase Agreement, and (e) save with the prior written consent of Platinum Peony, there will be no material deviation between the form and contents of the definitive executed version of the Merger Agreement, the Shareholders Agreement, the Capital Increase Agreement and the amended articles of association of the Offeror from the agreed form and contents of such documents as appended to the confirmation letter; and (iv) at any time before completion of the Capital Increase Agreement, it will not take any actions which requires Platinum Peony's (or the director nominated by Platinum Peony) prior consent in the Shareholders Agreement as if the Shareholders Agreement has come into effect except for actions that are required to implement the Merger Agreement and the transactions contemplated under the Joint Announcement.

LETTER FROM THE BOARD

If, after the date of the Joint Announcement, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the gross amount or value of such dividend, distribution and/or, as the case may be, return of capital (before tax) after consultation with the Executive, in which case any reference in the Joint Announcement, this Composite Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

**Pre-Conditions to the
Merger Agreement
becoming effective**

The Merger Agreement is subject to the satisfaction of the pre-conditions, being the filing, registration or approval, as applicable, with or by (a) the National Development and Reform Commission of the PRC, (b) Ministry of Commerce of the PRC, and (c) the State Administration of Foreign Exchange of the PRC, or their respective local authorities, and such other applicable governmental approvals in respect of the Merger having been obtained or completed (collectively, the “**Pre-Conditions**”). Save for the governmental approvals as mentioned above, the Offeror is not currently aware of any other applicable governmental approvals which are required in respect of the Merger.

The above Pre-Conditions are not waivable. If the Pre-Conditions are not satisfied by the Long-stop Date, the Merger Agreement will not become effective and will terminate automatically.

As at the Latest Practicable Date, all of the Pre-Conditions have been satisfied.

LETTER FROM THE BOARD

Conditions to effectiveness

After the Pre-Conditions are satisfied, the Merger Agreement shall become effective upon satisfaction of all of the following conditions (none of which is capable of being waived) (the “**Conditions to effectiveness**”):

- (1) the passing of special resolution(s) by a majority of more than two-thirds (2/3) of the votes cast by way of poll by the Shareholders present and voting in person or by proxy at the EGM to approve the Merger under the Merger Agreement in accordance with the Articles and the PRC Laws;
- (2) the passing of special resolution(s) by way of poll approving the Merger under the Merger Agreement at the H Share Class Meeting to be convened for this purpose, provided that: (a) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and (b) the number of votes cast against the resolution(s) is not more than 10% of the votes attaching to all H Shares held by the Independent H Shareholders; and
- (3) (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony) at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement.

If the above Conditions to effectiveness are not satisfied by the Long-stop Date, the Merger Agreement will not become effective and the Merger will not proceed. Please also refer to the paragraph headed “*Termination*” below.

LETTER FROM THE BOARD

Conditions to implementation

After the Merger Agreement and the Merger become effective upon satisfaction of the Pre-Conditions and all the Conditions to effectiveness, the implementation of the Merger shall be subject to the following conditions being satisfied (the “**Conditions to implementation**”, together with the Conditions to effectiveness, collectively, the “**Conditions**”):

- (1) there being no material errors or omissions in the representations, warranties or undertakings given by the Offeror in the Merger Agreement on the Delisting Date which has a material adverse impact on the Merger;
- (2) there being no material errors or omissions in the representations, warranties or undertakings given by the Company in the Merger Agreement on the Delisting Date which has a material adverse impact on the Merger; and
- (3) there being no law, prohibition or order of any governmental authority or any judgment, decision or adjudication of any court on the Delisting Date which restricts, prohibits or terminates the Merger.

The Company shall be entitled to waive Condition (1) above and the Offeror shall be entitled to waive Condition (2) above. Condition (3) above is not capable of being waived. If the above Conditions to implementation are not satisfied or waived (as applicable) by the Long-stop Date, the Merger Agreement will terminate automatically. Please also refer to the paragraph headed “*Termination*” below.

LETTER FROM THE BOARD

Payment of consideration

After fulfilment (or waiver, if applicable) of the Pre-Conditions and all the Conditions (being the Conditions to effectiveness and the Conditions to implementation), the Offeror shall: (i) as soon as possible and in any event no later than seven (7) business days, (x) pay the Cancellation Price to all H Shareholders (other than Falcon Holding and Platinum Peony) and (y) issue its registered capital to Falcon Holding pursuant to the Merger Agreement for the cancellation of the H Shares and the Domestic Shares held by Falcon Holding (as described in the paragraph headed “*Consideration*” above) and (ii) as soon as possible and in any event no later than seven (7) business days or such later time as permitted by the Executive, pay the Cancellation Price to all Domestic Shareholders (other than Falcon Holding). Pursuant to the Merger Agreement, the Offeror will issue its registered capital to Platinum Peony after the Delisting Date and on a date to be separately agreed between the Offeror and Platinum Peony. As payment of the Cancellation Price to all Domestic Shareholders (other than Falcon Holding) is subject to completion of certain administrative procedures required under applicable PRC Laws, payment may not be completed within seven (7) business days after fulfilment (or waiver, if applicable) of the Pre-Conditions and all the Conditions (being the Conditions to effectiveness and the Conditions to implementation) as required under Rule 20.1 of the Takeovers Code. Based on the above, the Offeror has applied to the Executive for, and the Executive has granted, a waiver from strict compliance with Rule 20.1 of the Takeovers Code in relation to the settlement of the Cancellation Price payable to all Domestic Shareholders (other than Falcon Holding) and Platinum Peony respectively, such that the Offeror shall (x) settle the consideration payable to the Domestic Shareholders (other than Falcon Holding) as soon as possible and in any event within seven (7) business days (as defined under the Takeovers Code) following completion of the requisite procedures in the PRC; and (y) settle the consideration payable with Platinum Peony after the Delisting Date and on a date to be separately agreed between the Offeror and Platinum Peony pursuant to the terms of the Merger Agreement.

LETTER FROM THE BOARD

After fulfilment (or waiver, if applicable) of all the Pre-Conditions and Conditions, the Offeror will work with the Company to keep the Domestic Shareholders reasonably informed of the progress in completing the requisite procedures by way of publishing announcements on the websites of the Company and the SFC, as and when appropriate.

After payment of consideration is made to the Shareholders by or on behalf of the Offeror, all rights attaching to such Shares shall cease to have effect and the relevant Shares shall be cancelled. The share certificates for the relevant Shares will cease to have effect as documents or evidence of title.

Payment of consideration to the H Shareholders (other than Falcon Holding and Platinum Peony) is deemed to be completed once the Offeror or any entity designated by it has despatched to such H Shareholders the cheques for the relevant consideration, and payment of consideration to the Domestic Shareholders (other than Falcon Holding) is deemed to be completed once the Offeror or any entity designated by it has made remittance of the relevant consideration by way of bank transfer or has despatched the cheques for the relevant consideration to such Domestic Shareholders. Payment of consideration to Falcon Holding is deemed to be completed once the Offeror has delivered to Falcon Holding the Offeror's register of members and certification of capital contribution affixed with the Offeror's official seal reflecting the Offeror's shareholding structure after the issuance of the registered capital of the Offeror to Falcon Holding in accordance with the Merger Agreement. Payment of consideration to Platinum Peony is deemed to be completed once the Offeror has (i) delivered to Platinum Peony the Offeror's register of members and certification of capital contribution affixed with the Offeror's official seal reflecting the Offeror's shareholding structure after the issuance of the registered capital of the Offeror to Platinum Peony at a date separately agreed on pursuant to the Capital Increase Agreement, (ii) completed the filing and registration procedures with the local counterpart of the State Administration of Market Regulation of the PRC with respect to the issuance of the registered capital of the Offeror to Platinum Peony pursuant to the Capital Increase Agreement; (iii) amended the article of association of the Offeror with respect to the issuance of the registered capital of the Offeror to Platinum Peony; and (iv) the industrial and commercial registration procedures in the PRC with respect to the Company's conversion into a company held by the Offeror as its sole shareholder having been completed.

LETTER FROM THE BOARD

The Company's Undertakings

Unless with the prior written consent of the Offeror, the Company shall not issue any Shares, conduct any major acquisitions or disposals which may constitute a discloseable transaction under Chapter 14 of the Listing Rules, or announce, declare or pay any dividend, other distribution or other return of capital to the Shareholders from the date of the Merger Agreement to the date of termination of the Merger Agreement or the Delisting Date (whichever is earlier), except for any profit distribution plan that has been announced but not yet implemented (to be considered and approved at the relevant Shareholders' meeting(s)) or any transaction that has not yet been consummated prior to the date of the Joint Announcement.

As at the date of the Joint Announcement and the Latest Practicable Date, the Company has not declared any dividend that has not been paid, and does not have any profit distribution plan that has been announced but not yet implemented.

Right of a Dissenting Shareholder

According to the Articles, any Dissenting Shareholder may request the Company to acquire its Shares at a "reasonable price".

If any Dissenting Shareholder exercises its right, the Offeror (if so requested by the Company) will assume the obligation which the Company may have towards such Dissenting Shareholder to acquire the Shares held by that Dissenting Shareholder at a "reasonable price".

The exercise of its right by a Dissenting Shareholder is subject to the following criteria:

- (1) such Dissenting Shareholder having validly voted against the resolutions in respect of the Merger at the EGM and (if applicable) the H Share Class Meeting;
- (2) such Dissenting Shareholder having been validly registered as a Shareholder on the share register of the Company since the record date for the EGM and (if applicable) the H Share Class Meeting, and having held such Share(s) in respect of which it intends to exercise its right until the Exercise Date; and

LETTER FROM THE BOARD

- (3) such Dissenting Shareholder having exercised its right during the Declaration Period.

A Shareholder is not entitled to exercise its right in respect of such Share(s) held by it if:

- (1) such Shareholder has undertaken to the Company to waive its right;
- (2) any Share held by such Shareholder is subject to pledge, other third-party rights or judicial moratorium, without having legally obtained written consent or approval from the relevant pledgee, third party or competent authority; or
- (3) such Shareholder is prohibited from exercising its right in accordance with applicable laws.

As at the Latest Practicable Date, no guidance is in place on how the “reasonable price” will be determined under the PRC Laws and therefore no assurance can be given as to any favourable results or outcome to the Dissenting Shareholders who have validly exercised its right and costs and expenses may be incurred by the Dissenting Shareholders in the process of exercising its right and determining the “reasonable price”. For the avoidance of doubt, regardless of when the Dissenting Shareholder exercises its right, the Dissenting Shareholder will be deemed to have ceased to have any right in respect of the Shares (other than the right to request for consideration pursuant to exercise of its right) on the date for payment of the Cancellation Price.

LETTER FROM THE BOARD

Termination

Subject to the requirements under the Takeovers Code and the requirements of the SFC and the Stock Exchange, the Merger Agreement may be terminated prior to the implementation of the Merger in any of the following circumstances:

- (1) by either the Offeror or the Company, if
 - (i) any competent governmental authority issues any order, decree, ruling or takes any other action which permanently restricts, impedes or otherwise prohibits the Merger and which is final, binding and not capable of being appealed (both the Offeror and the Company shall use reasonable endeavours to procure the withdrawal of such order, decree, ruling or action); or
 - (ii) the Conditions to effectiveness not having been satisfied and not resulting from any party's default on or before the Long-stop Date;
- (2) by the Offeror, if the Company commits a material breach of the representations, warranties and undertakings under the Merger Agreement or any other agreement related to the Merger, which has a material impact on the Merger and such breach is not remedied by the Company within 30 days following the written notice from the Offeror; or
- (3) by the Company, if the Offeror commits a material breach of the representations, warranties and undertakings under the Merger Agreement or any other agreement related to the Merger, which has a material impact on the Merger and such breach is not remedied by the Offeror within 30 days following the written notice from the Company.

In addition, as stated in the paragraph headed "*Pre-Conditions to the Merger Agreement Becoming Effective*" above and the paragraph headed "*Conditions to implementation*" above, if (i) the Pre-Conditions are not satisfied by the Long-stop Date, or (ii) the Conditions to implementation are not satisfied or waived (as applicable) by the Long-stop Date, the Merger Agreement will terminate automatically.

As at the Latest Practicable Date, all of the Pre-Conditions have been satisfied, and none of the Conditions has been satisfied or waived.

LETTER FROM THE BOARD

Conditional upon the fulfilment (or waiver, as applicable) of the Conditions to effectiveness and the Conditions to implementation set out in the paragraphs headed “*Conditions to effectiveness*” and “*Conditions to implementation*” above, the Merger will be implemented. After the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only terminate the Merger Agreement in accordance with the paragraph headed “*Termination*” above as a basis for not proceeding with the Merger only if the circumstances which give rise to the right to invoke any such termination right are of material significance to the Offeror in the context of the Merger.

4. CANCELLATION PRICE

(1) Comparisons of value

The Cancellation Price is HK\$2.0 per H Share and RMB1.858440 per Domestic Share (equivalent to the Cancellation Price of HK\$2.0 per H Share based on the Exchange Rate).

The Cancellation Price per H Share represents:

- (a) a premium of approximately 6.38% over the closing price per H Share of HK\$1.88 on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 33.33% over the closing price per H Share of HK\$1.50 on the Stock Exchange on the Last Trading Date;
- (c) a premium of approximately 39.86% over the average closing price of HK\$1.43 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Date;
- (d) a premium of approximately 44.93% over the average closing price of HK\$1.38 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 60 consecutive trading days immediately prior to and including the Last Trading Date;
- (e) a premium of approximately 62.60% over the average closing price of HK\$1.23 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 90 consecutive trading days immediately prior to and including the Last Trading Date;
- (f) a premium of approximately 72.41% over the average closing price of HK\$1.16 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 120 consecutive trading days immediately prior to and including the Last Trading Date;

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- (g) a discount of approximately 11.50% to the audited consolidated net asset value attributable to Shareholders (the “NAV”) of approximately RMB2.09 (equivalent to approximately HK\$2.26) per Share as at 31 December 2024 (calculated based on (i) the audited consolidated net asset value attributable to the Shareholders as stated in the 2024 annual results of the Company published on 28 March 2025; (ii) 1,583,348,000 Shares in issue as at the date of the Joint Announcement; and (iii) the exchange rate of HK\$1:RMB0.92604, being the median exchange rate on 31 December 2024 as announced by the People’s Bank of China); and
- (h) a discount of approximately 15.25% to the unaudited adjusted NAV of approximately RMB2.19 (equivalent to approximately HK\$2.36) per Share as at 31 December 2024, after taking into account of the property valuation report as at 30 April 2025 set out in Appendix II to this Composite Document, calculated based on (i) the total number of issued Shares as at the Latest Practicable Date; and (ii) the exchange rate of HK\$1:RMB0.92604, being the median exchange rate on 31 December 2024 as announced by the People’s Bank of China.

Although the Cancellation Price is at discount of approximately 11.50% to the Company’s NAV per Share as at 31 December 2024, the Cancellation Price is fair and reasonable based on the following dimensions:

- (a) as at 31 December 2024, the substantial majority of the Company’s carrying value of assets consisted of fixed assets. The carrying value of fixed assets represented 54.3% of total assets and 86.0% of net assets of the Company as at 31 December 2024, respectively. The Company’s fixed assets include not only properties, but also machinery and equipment related to production and operations. Notably, the Company’s properties include those built on the land parcels in respect of which the Group does not have land use right, such as the chicken farms and the chicken farm related ancillary facilities. Consequently, these specific properties cannot legally be transferred or redeveloped for other purposes. The liquidity of the aforementioned fixed assets is relatively low, making them difficult to be monetised;
- (b) over the past three years, the H Shares have been persistently traded at closing prices below the Company’s NAV per Share. Specifically, the Company’s NAV per Share as at 31 December 2021, 2022, 2023 and 2024 was approximately RMB2.43, RMB1.87, RMB1.92 and RMB2.09, respectively (equivalent to approximately HK\$2.62, HK\$2.02, HK\$2.07 and HK\$2.26, respectively, based on the exchange rate of HK\$1:RMB0.92604 for illustrative purpose). From 1 April 2022 to 3 July 2025, the Company’s closing prices per H Share have reached a maximum of HK\$1.90, a minimum of HK\$0.77, and an average of HK\$1.28, consistently remaining below the Company’s NAV. This indicates that market investors do not primarily determine the Company’s valuation based on the NAV metric, but rather place greater emphasis on its fundamental operating performance, profitability, and future growth prospects;

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- (c) since 1 April 2024, there have been 13 announced and completed privatisation transactions of companies listed on the Main Board of the Stock Exchange, excluding those without a cash alternative consideration during the last 12 months period prior to the Last Trading Date and up to the Latest Practicable Date. Among such 13 privatisation precedents, eight precedents included a cancellation price at a discount to the net asset value per share of the relevant companies; and
- (d) the Merger could provide the H Shareholders a valuable opportunity to immediately realise their investments in the Company with an attractive premium of approximately 39.86%, 44.93%, 62.60% and 72.41%, respectively, over the average closing price of HK\$1.43, HK\$1.38, HK\$1.23 and HK\$1.16 per H Share, respectively, based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 30, 60, 90 and 120 consecutive trading days immediately prior to and including the Last Trading Date.

Taking into account the abovementioned factors as a whole, the Offeror and the Company are of the view that the Cancellation Price is fair and reasonable.

Shareholders are reminded to read full content of the letter from the Independent Financial Adviser on pages 42 to 75 of this Composite Document, including but not limited to the analysis on the fairness and reasonableness of the Cancellation Price, when deciding whether to vote in favour of the resolutions at the EGM and the H Share Class Meeting to approve the Merger and the Rollover Arrangement (as applicable), in light of their own investment criteria and risk appetite.

The Cancellation Price will not be increased and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.

(2) Highest and lowest prices

During the Relevant Period, the highest closing price of the H Shares as quoted on the Stock Exchange was HK\$1.90 on 16, 17, 22, 23, 24, 25, 28 and 29 April 2025, and 2, 6, 7, 9, 14, 16, 19, 20, 21, 22, 26 and 27 May 2025; and the lowest closing price of the H Shares as quoted on the Stock Exchange was HK\$0.81 on 25, 26, 27 and 28 November 2024.

(3) Funding for the Merger

On the basis of (i) the Cancellation Price of HK\$2.0 per H Share and RMB1.858440 per Domestic Share (equivalent to the Cancellation Price of HK\$2.0 per H Share based on the Exchange Rate), (ii) 538,348,000 H Shares and 1,045,000,000 Domestic Shares in issue as at the Latest Practicable Date, and (iii) the Cancellation Price (x) for 137,265,505 H Shares and 992,854,500 Domestic Shares held directly by Falcon Holding and (y) for 156,679,000 H Shares held directly by Platinum Peony to be satisfied through the issuance of the registered capital of the Offeror as described in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” above, the amount of aggregate Cancellation Price required to be

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paid by the Offeror to cancel (i) the H Shares held by the H Shareholders and (ii) the Domestic Shares held by the Domestic Shareholders, other than Falcon Holding and Platinum Peony, is HK\$488,806,990 and approximately RMB96,909,284, respectively.

Falcon Holding has undertaken with the Offeror to pay on its behalf the total consideration for cancellation of the H Shares, and the Offeror will pay the total consideration for cancellation of the Domestic Shares with financial resources made available by Falcon Holding. Falcon Holding has obtained binding equity commitment letter from PAG Fund IV, pursuant to which PAG Fund IV has irrevocably committed to make one or more direct or indirect capital contributions in cash to Falcon Holding for its use solely for the purpose of the Merger. It is contemplated that PAG Fund IV, as the key limited partner of Falcon Holding, will provide the aforementioned equity commitment as bridge financing for efficiency purpose, and the allocation amongst the limited partners of Falcon Holding will be arranged subsequently.

Settlement of the consideration to which the Shareholders are entitled will be implemented in full in accordance with the terms of the Merger Agreement without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Shareholders.

The Offeror has appointed CICC as its financial adviser in respect of the Merger. CICC, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the satisfaction of the Offeror's obligations in respect of the full implementation of the Merger (excluding the consideration payable to Falcon Holding and Platinum Peony in the form of registered capital of the Offeror).

5. SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT

The Offeror would like to allow Platinum Peony to retain its shareholding in the Company after the Merger by way of the Rollover Arrangement. As at the Latest Practicable Date, Platinum Peony holds 156,679,000 H Shares, representing approximately 29.10% of the H Shares and approximately 9.90% of the total issued share capital of the Company.

Platinum Peony is a restricted scope company incorporated under the laws and regulations of the Abu Dhabi Global Market (in the Emirate of Abu Dhabi, United Arab Emirates), and is wholly owned by the Abu Dhabi Investment Authority. The principal business activity of Platinum Peony is investment holding.

The Offeror is of the view that it is important for the Company to retain Platinum Peony after the Merger, which will enhance the Group's competitiveness in the market and benefit the Group's long-term sustainable development and growth.

To document the Rollover Arrangement, Platinum Peony has issued a confirmation letter to the Offeror, pursuant to which Platinum Peony confirms that, subject to (i) the final offer price for the cancellation of H Shares held by Platinum Peony under the Merger being HK\$2.0 per H Share,

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and the registered capital of the Offeror to be issued to Platinum Peony being RMB291,178,520.76, (ii) the signing of the Merger Agreement in the form attached to the confirmation letter, and (iii) there being no material deviation between the form and contents of the executed version of the Merger Agreement with the agreed form and contents of such agreement as appended to the confirmation letter, Platinum Peony agrees to be issued with RMB1.858440 registered capital of the Offeror for each H Share it holds, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share, in consideration for the cancellation of the H Shares it holds pursuant to the Merger Agreement.

In connection with the Rollover Arrangement, it is contemplated that the Offeror and Platinum Peony will enter into the Capital Increase Agreement within two months after satisfaction of all of the Conditions have been satisfied. In consideration for the cancellation of the H Shares held by Platinum Peony, Platinum Peony will be issued with RMB1.858440 registered capital of the Offeror for each H Share, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share. It is also contemplated that Falcon Holding and Platinum Peony will enter into the Shareholders Agreement on or around the same time as the signing of the Capital Increase Agreement. A summary of the key terms of the Shareholders Agreement is set out below:

- (a) **Voting rights.** Shareholders of the Offeror shall exercise their voting rights proportionate to their respective actual contributions to the registered capital of the Offeror.
- (b) **Board composition.** The board of the Offeror shall comprise three directors, among which Falcon Holding shall have the right to nominate two directors (including the chairman of the board) and Platinum Peony shall have the right to nominate one director.
- (c) **Transfer restrictions.** Except with the prior written consent of Falcon Holding, Platinum Peony shall not transfer its equity interest in the Offeror to third parties that are within the scope of certain prescribed restricted persons, including, among other things, competitors of the Offeror and its affiliates, or persons that are subject to sanctions by any government. Platinum Peony's transfer of its equity interest in the Offeror to its affiliates (other than those within the scope of certain prescribed restricted persons) is not subject to the prior written consent of Falcon Holding.
- (d) **Drag along and tag along.** Under certain prescribed circumstances, a change of control in the Offeror is subject to Platinum Peony's consent. Subject to the foregoing, Falcon Holding shall have drag-along rights in case of a change of control transaction. The other shareholder(s) of the Offeror including Platinum Peony shall have tag-along rights in case of Falcon Holding's transfer of any equity interest in the Offeror.

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror has made an application for consent from the Executive to the Rollover Arrangement conditional on: (i) the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; and (ii) the passing of an ordinary resolution by the

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Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony) at the EGM to approve the Rollover Arrangement. Accordingly, as set out in the paragraph headed “*Conditions to effectiveness*” above, the Merger Agreement shall become effective subject to, among other things, (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony) at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement. Each of Falcon Holding, Platinum Peony and Chelt is considered to be acting in concert with the Offeror, and is therefore not an Independent H Shareholder and will not be voting on the Merger at the H Share Class Meeting or the Rollover Arrangement at the EGM.

6. IRREVOCABLE UNDERTAKINGS

On 8, 9 and 10 April 2025, the Offeror obtained an irrevocable undertaking from each of the IU Shareholders (namely JinYi Capital, Chelt, NTF Asset Management and Shenzhen Capital Value Partners GBA Fund), which in aggregate hold 118,459,000 H Shares as at the Latest Practicable Date (representing approximately 22.00% of the H Shares and approximately 7.48% of the total issued share capital of the Company as at Latest Practicable Date). Amongst such 118,459,000 H Shares, 92,520,000 H Shares are held by IU Shareholders that are Independent H Shareholders (namely JinYi Capital, NTF Asset Management and Shenzhen Capital Value Partners GBA Fund), representing approximately 42.35% of the H Shares held by the Independent H Shareholders as at the Latest Practicable Date.

Pursuant to the Irrevocable Undertakings, each of the IU Shareholders has irrevocably undertaken to the Offeror:

- (i) to exercise or procure the exercise of the voting rights attached to all of (a) the Shares owned by it, (b) any other Share which it may acquire on or after the date of the Irrevocable Undertaking, and (c) any other Shares attributable to or derived from the Shares referred to in (a) and (b) (including, without limitation, any scrip dividend) ((a) to (c) collectively, the “**IU Shares**”) to vote in favour of the resolutions at the EGM and the H Share Class Meeting to approve the Merger and the Rollover Arrangement (as applicable), in accordance with the terms and subject to the conditions to be set out in this Composite Document;
- (ii) not to, and to procure that the relevant registered holder of the IU Shares not to, on or before the date of completion of the Merger, and other than in connection with the Merger or unless otherwise specified under the Irrevocable Undertaking, sell, transfer, charge, encumber, create or grant any option or lien over or otherwise dispose of (or permit any such action to occur in respect of) all or any of the IU Shares or any interest therein; and

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- (iii) not to make any offer to acquire the whole or any part of the issued share capital of the Company nor permit any company in which it, directly or indirectly, has any interest to make such an offer.

The Irrevocable Undertakings shall terminate immediately if the Merger Agreement does not become effective or is terminated pursuant to its terms.

7. REASONS FOR AND BENEFITS OF THE MERGER

The reasons for and benefits of the Merger include:

(1) An excellent exit opportunity for H Shareholders to realise their investment with an attractive premium.

The Cancellation Price represents a premium over the market price of H Shares of the Company as disclosed in paragraph headed “Comparisons of value” in the section headed “4. CANCELLATION PRICE” above. The long-term low trading volume and liquidity also makes it very difficult for the H Shareholders to realise their H Shares holdings through secondary market transactions on a large scale at ideal prices. Therefore, the Merger, if implemented, could provide the H Shareholders a valuable opportunity to immediately realise their investments in the Company with an attractive premium of approximately 72.41% over the average closing price of HK\$1.16 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 120 consecutive trading days immediately prior to and including the Last Trading Date, and reallocate the proceeds from the disposal of the H Shares to alternative investment opportunities with more liquidity.

(2) The Company has lost its advantage as a listed platform and has limited equity fund-raising ability.

As the price of the H Shares has been in a downward trend since 2021 with sluggish trading volume for most of the time and the trading of the H Shares was suspended from 2 February 2023 to 30 July 2024 due to insufficient public float of the Company, the ability of the Company to raise any funds from the equity market is significantly limited.

In addition, the Company has to incur administrative, compliance and other listing related costs and expenses for maintaining the listing status. After the completion of the Merger, the H Shares will be delisted from the Stock Exchange, which may benefit the Company from savings in costs related to the compliance and maintenance of the listing status of the Company.

(3) The Merger will be beneficial to the long-term development of the Company.

The Company are facing great challenges and uncertainties in future operations due to the continued volatility of the international situation and the underperformance of the domestic consumer markets. In order to maintain competitive in the market, the Company needs to implement strategic initiatives which may affect short-term financial performance and may

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cause losses to the H Shareholders. After the completion of the Merger, the Company will have more long-term strategic options with greater flexibility and avoid the pressure from market expectations and stock price fluctuations as a listed company.

The Board (other than members of the Independent Board Committee, whose views are given in the “LETTER FROM THE INDEPENDENT BOARD COMMITTEE” in this Composite Document) is of the view that the terms of the Merger are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

8. FUTURE INTENTION OF THE OFFEROR

After the Merger, the Company will merge into the Offeror, with the Offeror as the surviving entity, and will cease to exist as a separate legal entity. It is the intention of the Offeror that it will continue to carry on its business as stated in the paragraph headed “(1) Information on the Offeror” in the section headed “9. *INFORMATION ON THE OFFEROR AND THE COMPANY*” below. It is also the intention of the Offeror that it will continue to carry on the business of the Group as stated in the paragraph headed “(2) Information on the Company” in the section headed “9. *INFORMATION ON THE OFFEROR AND THE COMPANY*” below following the Merger.

In view of the Merger, the Offeror will review the holding structure of certain business, assets, properties and operation units within the Group, and may implement changes to be determined with reference to such review to be conducted after the delisting of the Company’s H Shares which the Offeror deems necessary, appropriate or convenient, which may include redeployment of fixed assets of the Group. As at the Latest Practicable Date, the Offeror had not formulated any concrete plans for redeployment of fixed assets of the Group.

The Offeror does not intend to make any significant changes to the continued employment of the employees of the Group.

The Board is willing to cooperate with the Offeror and act in the best interests of the Company and the Shareholders as a whole.

9. INFORMATION ON THE OFFEROR AND THE COMPANY

(1) Information on the Offeror

The Offeror is a company incorporated in the PRC with limited liability on 23 November 2022, and is an investment holding company.

The Offeror is wholly-owned by Falcon Holding, a limited partnership formed in the Cayman Islands and principally engaged in investment holding services.

The general partner of Falcon Holding is Falcon Holding GP Limited, being a company directly wholly-owned by PAG Capital Limited. As at the Latest Practicable Date, the largest limited partner of Falcon Holding is PAG Fund IV. The general partner of PAG Fund IV is

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PAG Asia Capital GP IV Limited, being a company directly wholly-owned by PAG Capital Limited. PAG Capital Limited is wholly-owned by Pacific Alliance Group Limited, which is in turn wholly-owned by PAG.

PAG is a leading Asia-Pacific-focused alternative investment firm with three core businesses: Real Assets, Credit & Markets and Private Equity. It manages over US\$55 billion in assets on behalf of nearly 300 global institutional investors. The firm has over 820 staff across 15 key offices globally. PAG Private Equity manages four pan-Asian buyout funds and two growth funds with US\$21 billion of assets under management.

(2) Information on the Company

The Company is a joint stock company incorporated in the PRC with limited liability. The Company is a white-feathered broiler meat exporter and retail enterprise of chicken meat food in China. The Company produces and sells processed chicken meat products and raw chicken meat products mainly from white-feathered broilers. The main products include (i) processed chicken meat products; (ii) raw chicken meat products; (iii) chicken breeds; and (iv) others.

Set out below is the financial information of the Company for the three financial years ended 31 December 2022, 2023 and 2024 prepared in accordance with the China Accounting Standards for Business Enterprises:

	Financial year ended 31 December		
	2022	2023	2024
	RMB'000	RMB'000	RMB'000
	(audited)	(audited)	(audited)
	(restated)		
Revenue	5,085,790	5,134,413	5,504,651
Total profit (loss)	(768,257)	163,945	258,216
Net profit (loss)	(768,993)	160,319	280,867
Adjusted net profit ^(Note 1)	39,242	160,319	198,048

Note:

1. For the financial year ended 31 December 2022, the adjusted net profit represents the net profit after deducting monetary fund receivables bad debt loss arising from the recognition of an one-off and non-recurring impairment loss on the deposits due from GMK Finance Co., Ltd. and such figure has been restated in the financial year ended 31 December 2023. For the financial year ended 31 December 2024, the adjusted net profit represents the net profit after deducting the reversal of monetary fund receivables bad debt and the corresponding tax and interests arising from the liquidation of GMK Finance Co., Ltd.. No adjustments were made to the net profit recorded for the financial year ended 31 December 2023.

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(3) Shareholding in the Company

As at the Latest Practicable Date, the Company has 1,583,348,000 Shares in issue, which comprise 538,348,000 H Shares and 1,045,000,000 Domestic Shares.

Set out below is the shareholding in the Company as at the Latest Practicable Date:

Shareholders	Number of H Shares interested	Approximate % of the H Shares in issue	Number of Domestic Shares interested	Approximate % of the Domestic Shares in issue	Number of Shares interested	Approximate % of the Shares in issue
The Offeror and its concert parties						
The Offeror	—	—	—	—	—	—
Falcon Holding	137,265,505	25.50%	992,854,500	95.01%	1,130,120,005	71.38%
Platinum Peony	156,679,000	29.10%	—	—	156,679,000	9.90%
Chelt	25,939,000	4.82%	—	—	25,939,000	1.64%
Sub-total	319,883,505	59.42%	992,854,500	95.01%	1,312,738,005	82.91%
Independent H Shareholders						
IU Shareholders who are Independent H Shareholders						
JinYi Capital	47,478,000	8.82%	—	—	47,478,000	3.00%
NTF Asset Management	12,000,000	2.23%	—	—	12,000,000	0.76%
Shenzhen Capital Value Partners GBA Fund	33,042,000	6.14%	—	—	33,042,000	2.09%
Sub-total of IU Shareholders who are Independent H Shareholders	92,520,000	17.19%	—	—	92,520,000	5.84%
Xiao Dongsheng ^(Notes 1, 4)	3,216,000	0.60%	—	—	3,216,000	0.20%
Shi Lei ^(Notes 2, 4)	1,386,000	0.26%	—	—	1,386,000	0.09%
Zhou Jinying ^(Note 3)	3,311,300	0.62%	—	—	3,311,300	0.21%
Wang Zhixian ^(Notes 3, 4)	430,100	0.08%	—	—	430,100	0.03%
Meng Tao ^(Notes 3, 4)	758,200	0.14%	—	—	758,200	0.05%
2023 SAS Trustee ^(Note 4)	11,365,600	2.11%	—	—	11,365,600	0.72%
Other Independent H Shareholders	105,477,295	19.59%	—	—	105,477,295	6.66%
Sub-total of all Independent H Shareholders	218,464,495	40.58%	—	—	218,464,495	13.80%
Other Domestic Shareholders	—	—	52,145,500	4.99%	52,145,500	3.29%
Total number of Shares in issue	538,348,000	100.00%	1,045,000,000	100.00%	1,583,348,000	100.00%

Notes:

- Mr. Xiao Dongsheng is an executive Director and the general manager of the Company.
- Mr. Shi Lei is an executive Director, a vice general manager, the chief financial officer, the secretary to the Board and the company secretary of the Company.
- Each of Ms. Zhou Jinying, Mr. Wang Zhixian and Mr. Meng Tao is a vice general manager of the Company.

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4. For further details, please refer to the paragraph headed “2021 Share Award Scheme and 2023 Share Award Scheme” below. As at the date of the Joint Announcement, there were 1,517,368 outstanding share awards (representing approximately 0.10% of the total issued share capital of the Company) granted under the 2021 Share Award Scheme and 2,907,368 outstanding share awards (representing approximately 0.18% of the total issued share capital of the Company) granted under the 2023 Share Award Scheme (the “**Outstanding Share Awards**”), among which Mr. Xiao Dongsheng, Mr. Shi Lei and Mr. Wang Zhixian had been granted 972,000, 428,668 and 116,700 unvested awarded Shares (representing approximately 0.06%, 0.03% and 0.01% of the total issued share capital of the Company) under the 2021 Share Award Scheme respectively while Mr. Meng Tao had been granted 194,400 unvested awarded Shares (representing approximately 0.01% of the total issued share capital of the Company) under the 2023 Share Award Scheme.

As disclosed in the Rule 3.8 Announcement, on 30 June 2025, (i) 1,517,368 share awards granted under the 2021 Share Award Scheme and (ii) 2,907,368 share awards granted under the 2023 Share Award Scheme vested pursuant to the rules of the 2021 Share Award Scheme and the 2023 Share Award Scheme, respectively.

As at the Latest Practicable Date, (i) all of the Outstanding Share Awards have vested, and the corresponding H Shares have been transferred to the respective grantees, of which 972,000, 428,668 and 116,700 H Shares have been transferred to Mr. Xiao Dongsheng, Mr. Shi Lei and Mr. Wang Zhixian, respectively under the 2021 Share Award Scheme, and 194,400 H Shares have been transferred to Mr. Meng Tao under the 2023 Share Award Scheme; (ii) the 2021 SAS Trustee no longer holds any Shares; and (iii) the 2023 SAS Trustee only holds 11,365,600 H Shares (representing approximately 2.11% of all the issued H Shares and approximately 0.72% of all the total issued share capital of the Company).

5. CICC is the financial adviser to the Offeror in respect of the Merger. Accordingly, CICC and members of the CICC group are presumed to be acting in concert with the Offeror in respect of shareholdings of the CICC group in the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Members of the CICC group which are exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as CICC are not presumed to be acting in concert with the Offeror.

As at the Latest Practicable Date, except for Shares held by members of the CICC group acting in the capacity of exempt principal traders or exempt fund managers or Shares held on behalf of non-discretionary investment clients, members of CICC group did not own or control any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, nor were there any Shares (or convertible securities, warrants, options or derivatives in respect thereof) borrowed or lent, or dealt for value in, by any member of the CICC group during the Relevant Period.

Shares held by any member of the CICC group acting in the capacity of an exempt principal trader connected with the Offeror or the Company shall not be voted on the Merger at the H Share Class Meeting in accordance with the requirement of Rule 35.4 of the Takeovers Code, and the Shares held by any member of the CICC group in the capacity of an exempt principal trader for and on behalf of non-discretionary investment clients (that are not the Offeror or any person who is acting in concert with the Offeror) shall not be voted on the Merger at the H Share Class Meeting unless otherwise confirmed with the Executive. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted on the Merger at the H Share Class Meeting if (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients; and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt

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principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader).

6. The percentage figures are subject to rounding adjustments and may not add up to 100%.

As at the Latest Practicable Date, the Offeror does not own any Share. Falcon Holding, which directly and beneficially owns the entire equity interest of the Offeror, directly holds (i) 137,265,505 H Shares, representing approximately 25.50% of the total issued H Shares and approximately 8.67% of the total issued share capital of the Company, and (ii) 992,854,500 Domestic Shares, representing approximately 95.01% of the total issued Domestic Shares and approximately 62.71% of the total issued share capital of the Company. As at the Latest Practicable Date, Platinum Peony, a party acting in concert with the Offeror, directly holds 156,679,000 H Shares, representing approximately 29.10% of the total issued H Shares and approximately 9.90% of the total issued share capital of the Company. As at the Latest Practicable Date, Chelt, a party acting in concert with the Offeror, directly holds 25,939,000 H Shares, representing approximately 4.82% of the total issued H Shares and approximately 1.64% of the total issued share capital of the Company.

As at the Latest Practicable Date, save for the Shares, the Company does not have any outstanding options, warrants, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

(4) 2021 Share Award Scheme and 2023 Share Award Scheme

The Company has adopted the 2021 Share Award Scheme and the 2023 Share Award Scheme to recognise the contributions by, and to incentivise, the personnel of the Company and its subsidiaries.

As disclosed in the Joint Announcement, there were 1,517,368 Outstanding Share Awards (representing approximately 0.10% of the total issued share capital of the Company) granted under the 2021 Share Award Scheme, and there were 2,907,368 Outstanding Share Awards (representing approximately 0.18% of the total issued share capital of the Company) granted under the 2023 Share Award Scheme. As at the date of the Joint Announcement:

- (i) the 2021 SAS Trustee held 1,517,368 H Shares (representing approximately 0.28% of all the issued H Shares and approximately 0.10% of all the total issued share capital of the Company) for the purposes of satisfying the share awards under the 2021 Share Award Scheme; and
- (ii) the 2023 SAS Trustee held 14,272,968 H Shares (representing approximately 2.65% of all the issued H Shares and approximately 0.90% of all the total issued share capital of the Company) for the purposes of satisfying the share awards under the 2023 Share Award Scheme.

LETTER FROM THE BOARD

As disclosed in the Rule 3.8 Announcement, on 30 June 2025, (i) 1,517,368 share awards granted under the 2021 Share Award Scheme and (ii) 2,907,368 share awards granted under the 2023 Share Award Scheme vested pursuant to the rules of the 2021 Share Award Scheme and the 2023 Share Award Scheme, respectively. As at the Latest Practicable Date, (i) all of the Outstanding Share Awards have vested in full, and the corresponding H Shares have been transferred to the respective grantees, (ii) the 2021 SAS Trustee no longer holds any Shares, and (iii) the 2023 SAS Trustee only holds 11,365,600 H Shares (representing approximately 2.11% of all the issued H Shares and approximately 0.72% of all the total issued share capital of the Company). As all of the grantees under the 2021 Share Award Scheme and the 2023 Share Award Scheme are Independent H Shareholders, and none of such grantees are the Offeror, the Offeror's concert parties or otherwise involved or interested in the Rollover Arrangement, such grantees can vote at the EGM and the H Share Class Meeting.

The Company confirms that no further share awards will be made or granted under the 2021 Share Award Scheme or the 2023 Share Award Scheme and neither the 2021 SAS Trustee nor the 2023 SAS Trustee will acquire any further Shares from the date of the Joint Announcement up to and including the date of the earlier of completion or termination of the Merger.

None of the 2021 SAS Trustee, the 2023 SAS Trustee or the grantees under the 2021 Share Award Scheme and/or the 2023 Share Award Scheme is regarded as acting in concert with the Offeror.

Conditional upon the Merger Agreement becoming effective, the Offeror shall pay to the 2023 SAS Trustee an amount equivalent to the Cancellation Price multiplied by the number of the H Shares held by the 2023 SAS Trustee under the trust for the 2023 Share Award Scheme. Such amount shall be paid by the 2023 SAS Trustee to the Company after the 2023 SAS Trustee receives such amount from the Offeror under the Merger and upon the termination of the 2023 Share Award Scheme.

Pursuant to the rules of the 2023 Share Award Scheme, the 2023 SAS Trustee shall not exercise the voting rights attached to the H Shares held by it under the trust for the 2023 Share Award Scheme. Accordingly, all of the H Shares held by the 2023 SAS Trustee will not be voted at the EGM and the H Share Class Meeting.

10. ARRANGEMENTS FOR IMPLEMENTATION OF THE MERGER AGREEMENT

On 3 July 2025, the Offeror and the Company jointly announced that all of the Pre-Conditions had been satisfied. As at the Latest Practicable Date, none of the Conditions to effectiveness and Conditions to implementation had been satisfied or (if applicable) waived. Upon satisfaction of all the Conditions to effectiveness, the Company does not intend to retain its listing on the Stock Exchange and will apply to the Stock Exchange for voluntary withdrawal of the listing of the H Shares from the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules.

The Company and the Offeror will jointly issue further announcement(s) notifying H Shareholders of the proposed withdrawal of listing and the exact dates and relevant arrangements for the last day for dealing in the H Shares on the Stock Exchange as well as when the formal delisting of the H Shares will become effective.

LETTER FROM THE BOARD

The listing of the H Shares on the Stock Exchange will not be withdrawn if the Merger is not approved or lapses or does not become unconditional for any reason. In such cases, no cancellation of the Shares will take place pursuant to the Merger Agreement and the Company's public float will not be affected as a result of the Merger not being approved or otherwise lapsing or not becoming unconditional.

Pursuant to Rule 31.1(a) of the Takeovers Code, if the Merger has not become or been declared unconditional, and has been withdrawn or lapses, the Offeror and any party acting in concert with it may not announce an offer or possible offer for the Company within 12 months from the date on which the Merger is withdrawn or lapses, except with the consent of the Executive.

11. BOARD APPROVAL, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Board approved the Merger and its related matters at its board meeting on 8 April 2025.

The Board has established the Independent Board Committee, consisting of all of the independent non-executive Directors, being Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man. Each of Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia is a non-executive Director and is not a member of the Independent Board Committee as each is an employee of PAG and/or its subsidiaries, and Mr. Zhu Lingjie is also the sole director of the Offeror. The Independent Board Committee will advise the Independent H Shareholders as to: (a) whether the Merger and the Rollover Arrangement are fair and reasonable for the purpose of the Takeovers Code; and (b) voting at the EGM and the H Share Class Meeting. For the opinions and advice of the Independent Board Committee, please refer to section headed "LETTER FROM THE INDEPENDENT BOARD COMMITTEE" in this Composite Document.

Octal Capital has been appointed as the Independent Financial Adviser to provide advice to the Independent Board Committee and the Independent H Shareholders in respect of the Merger and the Rollover Arrangement. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. For the opinions and advice of the Independent Financial Adviser, please refer to section headed "LETTER FROM THE INDEPENDENT FINANCIAL ADVISER" in this Composite Document.

12. EGM AND H SHARE CLASS MEETING

The Company will convene the EGM and the H Share Class Meeting for the Shareholders and the H Shareholders respectively, to consider and, if thought fit, approve matters including the Merger and the Rollover Arrangement (as the case may be).

In compliance with Rule 2.10 of the Takeovers Code, which is applicable to the Merger, the Merger Agreement and the Merger are conditional on (1) the approval by way of poll by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast

LETTER FROM THE BOARD

either in person or by proxy at the H Share Class Meeting; and (2) the number of votes cast against the resolution(s) at the H Share Class Meeting is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders.

The H Shareholders who have been registered as holders of H Shares on the register of members of the Company kept by the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, on Thursday, 24 July 2025 will be entitled to attend the EGM and the H Share Class Meeting.

(1) Suspension of registration of Share transfers

The register of members of the Company will be closed from Monday, 21 July 2025 to Thursday, 24 July 2025 (both dates inclusive), during which no registration of transfers of Shares will be processed. If applicable, the Shareholders and the H Shareholders intending to attend the EGM and the H Share Class Meeting respectively must lodge their respective transfer documents and relevant share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) or the registered office address of the Company is Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for Domestic Shareholders) no later than 4:30 p.m. on Friday, 18 July 2025.

(2) Forms of proxy

Whether or not you intend to attend the EGM or the H Share Class Meeting, you are strongly urged to indicate your voting instructions and complete and return the forms of proxy in accordance with the instructions printed thereon. The forms of proxy should be returned as soon as possible (but in any event not less than 24 hours before the appointed time for holding the relevant meeting or any adjournment thereof, i.e. by 9:30 a.m. on Wednesday, 23 July 2025 in respect of the EGM and by 10:00 a.m. on Wednesday, 23 July 2025 in respect of the H Share Class Meeting). In the event that the relevant form of proxy has been returned to the Company's H Share registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong or the registered office address of the Company (as the case may be) after the abovementioned deadline (where applicable), it will be considered to be invalid and will not be taken into account. After completion and return of the forms of proxy, you may still attend and vote at the relevant meetings should you so wish.

(3) Voting at the EGM and the H Share Class Meeting

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions will be passed by way of poll at the EGM and the H Share Class Meeting.

LETTER FROM THE BOARD

In addition, the Company reminds all Shareholders that physical attendance in person at the EGM and/or the H Share Class Meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the relevant meetings as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM and/or the H Share Class Meeting in person.

The PRC Company Law does not require any Shareholders to abstain from voting in respect of the Merger at the EGM, and hence the Offeror and its concert parties (including Falcon Holding, Platinum Peony and Chelt) will vote in favour of the resolutions in relation to the Merger at the EGM. The Offeror and its concert parties (including Falcon Holding, Platinum Peony and Chelt) will not be voting on the Rollover Arrangement at the EGM. In addition, the Offeror and its concert parties (including Falcon Holding, Platinum Peony and Chelt) will abstain from voting at the H Share Class Meeting for the purpose of satisfying the requirements under Rule 2.10 of the Takeovers Code, as set out under paragraph (2) of the Conditions to effectiveness in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” in the “LETTER FROM THE BOARD” in this Composite Document. There are no other restrictions imposed on any Independent H Shareholders to cast votes on the relevant resolutions at the H Share Class Meeting.

13. TAXATION

(1) Non-tax advice

You should consult with your professional adviser to understand the possible tax implications of the Merger or the exercise of the Dissenting Shareholders’ rights. None of the Company, the Offeror, CICC or the Independent Financial Adviser, nor their respective ultimate beneficial owners, directors, officers, employees, agents, affiliates, advisers, associates or any person participating in the Merger, assume any liability in respect of any tax incurred or other implication of any exercise of the Dissenting Shareholders’ rights.

(2) Hong Kong stamp duty

As implementation of the Merger involves cancellation of the H Shares but not the sale and purchase of Hong Kong stock, and in this respect only, no stamp duty will be payable pursuant to the Stamp Duty Ordinance, Chapter 117 of the Laws of Hong Kong.

For the Dissenting Shareholders who exercise their right to require acquisition of their H Shares, Hong Kong stamp duty is payable at the rate of 0.1% of the consideration by each of the seller and the buyer. The stamp duty payable by the seller will be deducted from the cash received by the relevant Dissenting Shareholders who exercise such right.

LETTER FROM THE BOARD

14. RECOMMENDATION OF THE BOARD

The Board (other than members of the Independent Board Committee, whose views are given in the section headed “LETTER FROM THE INDEPENDENT BOARD COMMITTEE” in this Composite Document) is of the view that the terms of the Merger Agreement, including the Cancellation Price, the proposed Merger and the Rollover Arrangement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Having considered the terms of the Merger Agreement and the Rollover Arrangement and taken into account the advice from the Independent Financial Adviser, the Independent Board Committee is of the view that the terms of the Merger Agreement, the proposed Merger and the Rollover Arrangement are fair and reasonable so far as the Independent H Shareholders are concerned. Therefore, the Board recommends that the Shareholders vote in favour of the resolutions in relation to the Merger and the Rollover Arrangement at the EGM and (if applicable) the H Share Class Meeting. Shareholders are reminded to read the full text of the letter from the Independent Board Committee and the letter from the Independent Financial Adviser.

As each of Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia (being the non-executive Directors) is an employee of PAG and/or its subsidiaries, and Mr. Zhu Lingjie is also the sole director of the Offeror, they have abstained and will abstain from voting in any vote of the Board in relation to the Merger and the Rollover Arrangement.

15. OTHER INFORMATION

In considering what action to take in connection with the Merger, you should consider your own tax position and, if you are in any doubt, you should consult your professional advisors.

You are urged to read carefully the letter from the Independent Board Committee on pages 40 to 41 of this Composite Document, the letter from the Independent Financial Adviser on pages 42 to 75 of this Composite Document and the property valuation report issued by Hong Kong Appraisal Advisory Limited on pages II-1 to II-72 of this Composite Document. Your attention is also drawn to the additional information set out in the Appendices to this Composite Document, all of which form part of this Composite Document.

By order of the Board
Shandong Fengxiang Co., Ltd.
Shi Lei
Executive director and company secretary

* For identification purposes only.



凤祥食品

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

5 July 2025

To the Independent H Shareholders

Dear Sir or Madam,

**(1) PROPOSED PRIVATISATION OF SHANDONG FENGXIANG CO., LTD.
BY THE OFFEROR BY WAY OF MERGER BY ABSORPTION
(2) PROPOSED WITHDRAWAL OF LISTING
(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT
AND
(4) IRREVOCABLE UNDERTAKINGS**

INTRODUCTION

We refer to the composite document dated 5 July 2025 jointly issued by the Company and the Offeror (the “**Composite Document**”), of which this letter forms part. Unless the context otherwise requires, terms defined in the Composite Document shall have the same meaning when used in this letter.

We have been appointed by the Board to form the Independent Board Committee to consider and advise the Independent H Shareholders as to whether the terms of the Merger and the Rollover Arrangement are, or are not, fair and reasonable and as to voting.

Octal Capital has been appointed with the approval of the Independent Board Committee as the Independent Financial Adviser to advise us as to whether or not the terms of the Merger and the Rollover Arrangement are fair and reasonable so far as the Independent H Shareholders are concerned and as to voting. Details of its advice and the principal factors taken into consideration in arriving at its recommendation are set out in the letter from Independent Financial Adviser on pages 42 to 75 of the Composite Document. We also wish to draw your attention to, and advise you to read, the letter from the Board on pages 10 to 39 of the Composite Document, the letter from the

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Independent Financial Adviser on pages 42 to 75 of the Composite Document, the property valuation report issued by Hong Kong Appraisal Advisory Limited on pages II-1 to II-72 of the Composite Document and the appendices to the Composite Document.

We, being the members of the Independent Board Committee, have declared that, we are independent and do not have any conflict of interest in respect of the Merger and the Rollover Arrangement and are therefore able to consider the terms of the Merger and the Rollover Arrangement and to make recommendations to the Independent H Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons considered by, and the advice of the Independent Financial Adviser as set out in its letter, we concur with the view of the Independent Financial Adviser and consider the terms of the Merger and the Rollover Arrangement to be fair and reasonable so far as the Independent H Shareholders are concerned.

Accordingly, we concur with the recommendation of the Independent Financial Adviser, and would recommend the Independent H Shareholders to vote in favour of the Merger and the Rollover Arrangement.

Notwithstanding our views and recommendation in respect of the terms of the Merger and the Rollover Arrangement, the Shareholders are strongly advised to exercise their independent decision on voting at the EGM and the H Share Class Meeting. If in doubt, the Shareholders should consult their own professional advisers for professional advice.

Yours faithfully,

For and on behalf of

THE INDEPENDENT BOARD COMMITTEE

Wang Anyi

*Independent non-executive
Director*

Zhao Yinglin

*Independent non-executive
Director*

Chung Wai Man

*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Octal Capital, the Independent Financial Adviser to the Independent Board Committee in respect of the Merger and the Rollover Arrangement for the purpose of inclusion in this Composite Document.



Octal Capital Limited
801–805, 8th Floor
Nan Fung Tower
88 Connaught Road Central
Hong Kong

5 July 2025

To the Independent Board Committee and the Independent H Shareholders

Dear Sirs or Madams,

**(1) PROPOSED PRIVATISATION
OF SHANDONG FENGXIANG CO., LTD. BY THE OFFEROR BY WAY
OF MERGER BY ABSORPTION;
(2) PROPOSED WITHDRAWAL OF LISTING;
AND
(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT**

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent H Shareholders in respect of the Merger and the Rollover Arrangement, particulars of which are set out in the letter from the Board of Directors (the “**Letter from the Board**”) of the composite document to the Shareholders dated 5 July 2025 (the “**Composite Document**”), of which this letter forms a part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as given to them under the definitions section of the Composite Document.

On 11 April 2025, the Offeror and the Company entered into the Merger Agreement, pursuant to which the Offeror and the Company have agreed to implement the Merger subject to the terms and conditions of the Merger Agreement, including the Pre-Conditions and the Conditions. After the Merger, the Company will be merged into and absorbed by the Offeror in accordance with the PRC Company Law and other applicable PRC Laws.

Meanwhile, the Offeror would like to allow Platinum Peony to retain its shareholding in the Company after the Merger by way of the Rollover Arrangement. As at the Latest Practicable Date, Platinum Peony holds 156,679,000 H Shares, representing approximately 29.10% of the H Shares and approximately 9.90% of the total issued share capital of the Company. Upon satisfaction of all the Conditions to effectiveness, the Company will apply to the Stock Exchange for voluntary withdrawal of the listing of the H Shares from the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man (all being independent non-executive Directors) has been formed to advise the Independent H Shareholders as to (a) whether the terms of the Merger and the Rollover Arrangement are fair and reasonable for the purpose of the Takeovers Code; and (b) voting at the EGM and the H Share Class Meeting.

We, Octal Capital, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent H Shareholders in connection with the Merger and the Rollover Arrangement. The appointment of Octal Capital as the Independent Financial Adviser has been approved by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code.

We are not in the same group as the financial or other professional advisers (including a stockbroker) to the Company and the Offeror, and we are not associated with the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them and we had not had, any connection, financial assistance or otherwise, with either the Company, the Offeror or the controlling shareholder(s) of either of them. Accordingly, we are considered eligible to give independent advice to the Independent Board Committee on the Merger and the Rollover Arrangement pursuant to Rule 2.6 of the Takeovers Code. Apart from normal professional fees paid or payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, the Offeror or any party acting, or presumed to be acting, in concert with any of them. As at the Latest Practicable Date, we do not have any relationships or interests with the Company and the Offeror that could reasonably be regarded as relevant to the independence of Octal Capital. In the last two years, there has been no engagement entered into between the Company, the Offeror and Octal Capital. Accordingly, we do not consider any conflict of interest arises for Octal Capital in acting as the Independent Financial Adviser in respect of the Merger and the Rollover Arrangement.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have reviewed, amongst others (i) the Composite Document; (ii) the annual report of the Company for the financial years (“FY”) ended 31 December 2022, 2023 and 2024; and (iii) the interim report of the Company for the six months (“6M”) ended 30 June 2022, 2023 and 2024. We have relied on the statements, information, opinions and representations relating to the operations, financial condition and prospects of the Group contained or referred to in this Composite Document and/or provided to us by the Company and the management of the Group. We have assumed that such information and any representation made to us were true, accurate and complete in all material respects as at the Latest Practicable Date. Should there be any subsequent material changes which occur during the period from the date of the Composite Document up to the date of the EGM and the H Share Class Meeting, we will notify the Independent Board Committee and the Independent H Shareholders as soon as possible. We have also assumed that all statements of belief, opinion and intention made by the Board and the management of the Company and/or the Offeror in this Composite Document were reasonably made after due enquiry. We consider that the information we have received is sufficient for us to

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

reach our advice and recommendation as set out in this letter and to justify our reliance on such information. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than information relating to the Offeror, Falcon Holding and any parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than those expressed by the sole director of the Offeror and the directors of Falcon Holding GP Limited and PAG Asia Capital GP IV Limited in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in the Composite Document, the omission of which would make any of the statements in the Composite Document misleading. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld.

We have not considered the tax implications on the Independent H Shareholders arising from acceptance or non-acceptance of the Merger, if any, and therefore we will not accept responsibility for any tax effect or liability that may potentially be incurred by the Independent H Shareholders as a result of the Merger. In particular, the Independent H Shareholders who are subject to Hong Kong or overseas taxation on dealings in securities are urged to seek their own professional adviser on tax matters. Please refer to the section headed “13. TAXATION” in the Letter from the Board for further details of the taxation implications.

PRINCIPAL TERMS AND CONDITIONS OF THE MERGER AND THE ROLLOVER ARRANGEMENT

Details of the terms of the Merger and the Rollover Arrangement are set out in the Letter from the Board. The relevant extracts are reproduced below for your reference.

The principal terms and conditions of the Merger Agreement include:

Parties: (1) the Offeror; and
(2) the Company.

Overview of the Merger: Subject to the terms and conditions of the Merger Agreement, which will involve a cancellation of all the Shares and the subsequent absorption of the Company by the Offeror, the Merger will be implemented by the Offeror merging the Company by way of merger by absorption.

After the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Consideration:

Pursuant to the Merger Agreement, conditional upon the fulfilment (or waiver, as applicable) of the Pre-Conditions, the Conditions to effectiveness and the Conditions to implementation set out in the paragraphs headed “Pre-Conditions to the Merger Agreement becoming effective”, “Conditions to effectiveness” and “Conditions to implementation” in the section headed “3. PRINCIPAL TERMS OF THE MERGER AGREEMENT” in the Letter from the Board, the Offeror will pay the Cancellation Price in the amount of (a) HK\$2.0 per H Share to the H Shareholders for the cancellation of the H Shares and (b) RMB1.858440 per Domestic Share, which is equivalent to the Cancellation Price of each H Share based on the Exchange Rate, to the Domestic Shareholders for the cancellation of the Domestic Shares, in each case other than Falcon Holding and Platinum Peony, as described below.

Pursuant to the Merger Agreement, subject to the same conditions as set out above, in consideration for the cancellation of the H Shares and the Domestic Shares held by Falcon Holding and the H Shares held by Platinum Peony, each of Falcon Holding and Platinum Peony will be issued with RMB1.858440 registered capital of the Offeror for each H Share or Domestic Share, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share or Domestic Share. It is contemplated that the Offeror will enter into a capital increase agreement with each of Falcon Holding and Platinum Peony to document the aforementioned arrangement within two months after the Conditions have been satisfied. Please refer to the section headed “5. SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT” in the Letter from the Board for details of the terms of the Rollover Arrangement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pre-Conditions to the Merger Agreement becoming effective, Conditions to effectiveness, and Conditions to implementation:

The Merger Agreement is subject to the satisfaction of the Pre-conditions and the Conditions. As at the Latest Practicable Date, the Pre-Conditions have been satisfied. Details of the Pre-Conditions and the Conditions are set out in the section headed “3. PRINCIPAL TERMS AND CONDITIONS OF THE MERGER” in the Letter from the Board.

As at the Latest Practicable Date, none of the Conditions to effectiveness and Conditions to implementation had been satisfied or (if applicable) waived. Upon satisfaction of all the Conditions to effectiveness, the Company does not intend to retain its listing on the Stock Exchange and will apply to the Stock Exchange for voluntary withdrawal of the listing of the H Shares from the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules.

Right of a Dissenting Shareholder:

According to the Articles, any Dissenting Shareholder may request the Company to acquire its Shares at a “reasonable price”. If any Dissenting Shareholder exercises its right, the Offeror (if so requested by the Company) will assume the obligation which the Company may have towards such Dissenting Shareholder to acquire the Shares held by that Dissenting Shareholder at a “reasonable price”.

Details of the right of a Dissenting Shareholder are set out in the section headed “3. PRINCIPAL TERMS AND CONDITIONS OF THE MERGER” in the Letter from the Board.

Rollover Arrangement:

The Offeror would like to allow Platinum Peony to retain its shareholding in the Company after the Merger by way of the Rollover Arrangement. As at Latest Practicable Date, Platinum Peony holds 156,679,000 H Shares, representing approximately 29.10% of the H Shares and approximately 9.90% of the total issued share capital of the Company. Please refer to the section headed “5. SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT” in the Letter from the Board for details of the terms of the Rollover Arrangement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION ON THE MERGER AND ROLLOVER ARRANGEMENT

In formulating our opinion and recommendation to the Independent Board Committee and the Independent H Shareholders in respect of the Merger and the Rollover Arrangement, we have taken into account the following principal factors and reasons:

1. BACKGROUND AND FINANCIAL INFORMATION OF THE GROUP

1.1 Background of the Group

The Company is a joint stock limited liability company established in the PRC on 17 December 2010, the H Shares of which are listed on the Main Board of the Stock Exchange. The Group is principally based in Shandong, the PRC and produces and sells processed chicken meat products and raw chicken meat products mainly from white-feathered broilers. The main products include (i) processed chicken meat products; (ii) raw chicken meat products; (iii) chicken breeds; and (iv) others. Apart from its leading domestic market position in the PRC, the Group has an established and growing export business supplying a wide range of premium quality chicken meat products to overseas customers in Japan, Malaysia, Europe, the Middle East, Korea, Mongolia and Singapore.

1.2 Financial performance of the Group

The business segments of the Group include processed chicken meat products segment (the “**Processed Chicken Meat Products Segment**”), raw chicken meat products segment (the “**Raw Chicken Meat Products Segment**”), chicken breeds segment (the “**Chicken Breeds Segment**”) and other products segment (the “**Other Products Segment**”).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the financial information of the Company for FY2022, FY2023 and FY2024 extracted from the annual reports of the Company for FY2022, FY2023 and FY2024 respectively:

	FY2022	FY2023	FY2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)	(audited)
Total revenue	5,085,790	5,134,413	5,504,651
— <i>Processed Chicken Meat Products Segment</i>	2,371,087	2,613,650	2,955,393
— <i>Raw Chicken Meat Products Segment</i>	2,500,559	2,284,084	2,343,404
— <i>Chicken Breeds Segment</i>	53,619	61,015	26,964
— <i>Other Products Segment</i>	160,525	175,664	178,890
Total profits/(loss) ¹	(768,257)	163,945	258,216
Net profit/(loss) for the year	(768,993)	160,319	280,867
Adjusted net profit	39,242 ²	160,319	198,048 ³
Earnings per Share attributable to ordinary equity holders of the parent (in RMB per Share)			
— Basic	(0.55)	0.11	0.18
— Diluted	(0.55)	0.11	0.18

Notes:

1. Total profits/(loss) represent net profit/(loss) before tax.
2. Net profit after deducting monetary fund receivables bad debt loss arising from the recognition of an one-off and non-recurring impairment loss on the deposits due from GMK Finance.
3. Net profit after deducting the reversal of monetary fund receivables bad debt and the corresponding tax and interests arising from the liquidation of GMK Finance.

FY2022 vs FY2023

The Group's overall revenue rose by roughly 1.0%, from RMB5,085.8 million in FY2022 to RMB5,134.4 million in FY2023, mainly as a result of the expansion of the Group's B2B customer base and growth in sales volume. Revenue from the Processed Chicken Meat Products Segment increased by approximately 10.2%, from RMB2,371.1 million in FY2022 to RMB2,613.7 million in FY2023, due to higher sales volumes. Conversely, the Raw Chicken Meat Products Segment saw an approximately 8.7% revenue drop, from RMB2,500.6 million in FY2022 to RMB2,284.1 million in FY2023, driven by reduced sales volumes. The Chicken Breeds Segment recorded an approximately 13.8% revenue increase, from RMB53.6 million in FY2022 to RMB61.0

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million in FY2023, supported by greater sales volumes. The Other Products Segment's revenue grew by approximately 9.4%, from RMB160.5 million in FY2022 to RMB175.7 million in FY2023.

Total profits improved significantly from a total loss of approximately RMB768.3 million in FY2022 to a net profit of RMB163.9 million in FY2023. Similarly, the net profit for FY2023 shifted from a loss of approximately RMB769.0 million in FY2022 to a net profit of RMB160.3 million in FY2023. This turnaround was mainly driven by (i) the decrease in the Group's selling expenses and research and development expenses; and (ii) the significant decrease in credit impairment loss in relation to the funds deposited with GMK Finance Co. Ltd. ("**GMK Finance**"), which was controlled by the former controlling shareholder of the Company. GMK Finance was involved in overdue repayment disputes and litigation. As at 31 December 2022, a full provision of impairment loss was made for the funds of approximately RMB808.2 million deposited with GMK Finance and included in credit impairment loss for FY2022. After deducting monetary fund receivables bad debt loss arising from the recognition of an one-off and non-recurring impairment loss on the deposits due from GMK Finance, the adjusted net profit for FY2022 was approximately RMB39.2 million.

FY2023 vs FY2024

The Group's overall revenue increased by approximately 7.2%, from RMB5,134.4 million in FY2023 to RMB5,504.7 million in FY2024, primarily due to the increase in the sales volume of raw chicken meat products and processed chicken meat products of the Group. Revenue from the Processed Chicken Meat Products Segment surged by approximately 13.1%, from RMB2,613.7 million in FY2023 to RMB2,955.4 million in FY2024, due to the increase in sales volume of the Group's processed chicken meat products. The Raw Chicken Meat Products Segment saw a modest revenue rise of approximately 2.6%, from RMB2,284.1 million in FY2023 to RMB2,343.4 million in FY2024, reflecting the increase in sales volume of the Group's raw chicken meat products. Conversely, the Chicken Breeds Segment experienced a sharp revenue decline of approximately 55.8%, from RMB61.0 million in FY2023 to RMB27.0 million in FY2024, driven by the significant decrease in sales volume of the Group's chicken breeds products. The Other Products Segment's revenue grew slightly by approximately 1.8%, from RMB175.7 million in FY2023 to RMB178.9 million in FY2024.

Total profits improved significantly by approximately 57.5%, from RMB163.9 million in FY2023 to RMB258.2 million in FY2024. Similarly, the net profit for the year rose by approximately 75.2%, from RMB160.3 million in FY2023 to RMB280.9 million in FY2024. This growth was driven by an increase in sales volume of the Group's export business and the receipt of the assets recovered after the liquidation of GMK Finance and relevant taxes thereof. After deducting the reversal of monetary fund receivables bad debt and the corresponding tax and interests arising from the liquidation of GMK Finance, the adjusted net profit for FY2024 was approximately RMB198.0 million.

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1.3 Financial position of the Group

Set out below is the consolidated statement of financial position of the Group as at 31 December 2023 and 31 December 2024 respectively as extracted from the annual report for FY2024:

	As at 31 December 2023 <i>approximately</i> <i>RMB'000</i> (audited)	As at 31 December 2024 <i>approximately</i> <i>RMB'000</i> (audited)
Non-current assets	3,537,488	3,504,698
Current assets	<u>1,519,578</u>	<u>1,730,204</u>
Total assets	<u>5,057,066</u>	<u>5,234,902</u>
Current liabilities	1,492,166	1,520,431
Non-current liabilities	<u>533,004</u>	<u>408,031</u>
Total liabilities	<u>2,025,170</u>	<u>1,928,462</u>
Net assets attributable to owners of the Company	3,031,896	3,306,440

As at 31 December 2024, the Group had total assets of approximately RMB5,234.9 million, which primarily include, among others, (i) fixed assets of approximately RMB2,844.2 million; (ii) inventories of approximately RMB969.1 million; (iii) monetary funds of approximately RMB355.0 million; (iv) trade receivables of approximately RMB327.0 million; and (v) right-of-use assets of approximately RMB207.7 million. As at 31 December 2024, the Group's total liabilities were approximately RMB1,928.5 million, which primarily include, among others, (i) short-term borrowings of approximately RMB633.6 million; (ii) trade payable of approximately RMB399.5 million; (iii) lease liabilities of approximately RMB203.6 million; (iv) non-current liabilities due within one year of approximately RMB186.8 million; and (v) long-term borrowings of approximately RMB160.0 million.

The Group's net assets attributable to owners of the Company ("NAV") as at 31 December 2023 and 2024 amounted to approximately RMB3,031.9 million and RMB3,306.4 million with NAV per Share of approximately RMB1.92 and RMB2.09 respectively. The increase in net assets during FY2024 was mainly attributable to (i) the net profit of the Group for FY2024 of approximately RMB280.9 million; and (ii) the increase in monetary funds of the Group. In addition, the Group had monetary funds of approximately RMB355.0 million as

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at 31 December 2024, which increased by approximately RMB156.5 million as compared with that of RMB198.5 million as at 31 December 2023, which was mainly due to the increase in net cash flow generated from operating activities of the Group in FY2024.

2. INDUSTRY OVERVIEW AND PROSPECTS OF THE GROUP

As stated in the annual report for FY2024 of the Company, the Group faces significant challenges stemming from intense industry competition and a sluggish recovery in domestic consumption, which have kept product prices low, alongside ongoing international trade disputes and frequent global conflicts that negatively impact the export business. Nevertheless, the Group will adhere to the three principles of “continuous” and further enhance the Group’s operating efficiency and effectiveness, to realise steady and sustainable high quality growth and create a leading chicken meat brand of China. The Group will continue to (i) promote the refinement of management and efficiency; (ii) deepen channel penetration and expand market share; and (iii) accelerate the construction of talent pool and increase organisational vitality. Where opportunities and challenges coexist, the Group will uphold the spirit of ownership, maintain the quality system, talent system, and management system, and leverage its advantages in capital, brand, and customer to achieve rapid and leapfrog development and improvement.

The PRC is the Group’s largest market, contributing over approximately 70% of its total revenue over the past three years. Europe and Japan rank as the second and third largest markets respectively. The European market has shown growth, rising from approximately 11% of total revenue in FY2022 to 15% in FY2024, while the Japanese market has remained relatively steady at approximately 8% of the Group’s total revenue during the same period. The remaining revenue was derived from the Malaysia market and other countries market, contributing approximately 5% and 2% respectively, to the Group’s total revenue over the past three years.

According to the Ministry of Agriculture and Rural Affairs of the PRC (the “**Agriculture Ministry**”), the poultry output in the PRC has shown a steady increase, reaching approximately 24.4 million tons in 2022, 25.6 million tons in 2023, and 26.6 million tons in 2024. This reflects a compound annual growth rate (CAGR) of approximately 2.9% over the past three years, indicating a consistent but moderate expansion in production. Additionally, the Agriculture Ministry reports that the average price of poultry meat has remained relatively stable at approximately RMB26.0 per kilogram over the same period. The Company’s annual report highlights that corn serves as the primary raw material for the Group’s animal feed. Data from the National Bureau of Statistics of China indicates that the average price of corn has followed a downward trend, decreasing from approximately RMB2.86 per kilogram in 2022 to RMB2.53 per kilogram in 2024, suggesting potential cost benefits for feed production.

While the poultry market in the PRC has experienced growth, with poultry output rising from approximately 24.4 million tons in 2022 to 26.6 million tons in 2024 at a CAGR of 2.9%, this increase is mild, and its future stability remains uncertain. The stable poultry meat price together with the declining corn price over the past three years have contributed to (i) the Group’s revenue growth during the years from FY2022 to FY2024 as discussed in the above paragraph headed “1.2

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Financial information of the Group”; and (ii) the improvement on the Group’s gross profit margin from approximately 11.5% in FY2022 to 12.0% in FY2024, and there is no assurance that the trend of the stable poultry meat price and the declining corn price will persist in future.

Apart from the challenges in the domestic market, the international market poses additional challenges for the Group, including threats of a global economic downturn and persistent international trade disputes. These uncertainties may disrupt demand in major export markets like Europe, which has demonstrated growth, and Japan, a consistent revenue contributor, potentially impacting the Group’s overall performance. Additionally, ongoing trade frictions could result in stricter regulations or tariffs, adding complexity to the Group’s efforts to sustain its export activities. Although the Group does not engage in exports to the United States and is therefore not directly affected by the tariffs imposed by the United States, the wider unstable global business climate, combined with shifting policies and the potential for currency volatility, will influence the Group’s international operations and the overall financial performance of the Group.

Based on the above, and considering the Group’s business model where it generates most revenue from the PRC with a significant portion of income from export business, its performance is hinged on the overall domestic demand in the PRC and degree of international trade conflicts which are ever-changing, we are of the view that the Group’s outlook is generally positive but confronted with an uncertain and challenging market and business environment in the foreseeable future.

3. BACKGROUND INFORMATION OF THE OFFEROR

3.1 The Offeror and its controlling shareholder

The Offeror is a company incorporated in the PRC with limited liability on 23 November 2022 and is an investment holding company.

The Offeror is wholly-owned by Falcon Holding, a limited partnership formed in Cayman Islands and principally engaged in investment holding services.

The general partner of Falcon Holding is Falcon Holding GP Limited, being a company directly wholly-owned by PAG Capital Limited. As at the Latest Practicable Date, the largest limited partner of Falcon Holding is PAG Fund IV. The general partner of PAG Fund IV is PAG Asia Capital GP IV Limited, being a company directly wholly-owned by PAG Capital Limited. PAG Capital Limited is wholly-owned by Pacific Alliance Group Limited, which is in turn wholly-owned by PAG.

PAG is a leading Asia-Pacific-focused alternative investment firm with three core businesses: Real Assets, Credit & Markets and Private Equity. It manages over US\$55 billion in capital on behalf of nearly 300 global institutional investors. The firm has over 790 staff across 15 key offices globally. PAG Private Equity manages four pan-Asian buyout funds and two growth funds with US\$19 billion of capital under management.

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3.2 The Offeror's intention in relation to the Company

As stated in the Letter from the Board, after the Merger, the Company will merge into the Offeror, with the Offeror as the surviving entity, and will cease to exist as a separate legal entity. It is the intention of the Offeror that it will continue to carry on its business. It is also the intention of the Offeror that it will continue to carry on the business of the Group.

In view of the Merger, the Offeror will review the holding structure of certain business, assets, properties and operation units within the Group, and may implement changes to be determined with reference to such review to be conducted after the delisting of the Company's H Shares which the Offeror deems necessary, appropriate or convenient, which may include redeployment of fixed assets of the Group. As at the Latest Practicable Date, the Offeror had not formulated any concrete plans for redeployment of fixed assets of the Group.

The Offeror does not intend to make any significant changes to the continued employment of the employees of the Group.

4. BACKGROUND OF AND REASONS FOR THE MERGER

Pursuant to the Merger Agreement, conditional upon the fulfilment (or waiver, as applicable) of the Pre-Conditions and the Conditions, the Offeror will pay the Cancellation Price in the amount of (a) HK\$2.0 per H Share to the H Shareholders for the cancellation of the H Shares and (b) RMB1.858440 per Domestic Share, which is equivalent to the Cancellation Price of each H Share based on the Exchange Rate, to the Domestic Shareholders for the cancellation of the Domestic Shares, other than Falcon Holding (being the parent company of the Offeror) and Platinum Peony (being a party acting in concert with the Offeror).

The amount of aggregate Cancellation Price required to be paid by the Offeror to cancel (i) the H Shares held by the H Shareholders and (ii) the Domestic Shares held by the Domestic Shareholders, other than Falcon Holding and Platinum Peony, is HK\$488,806,990 and approximately RMB96,909,284, respectively.

After the Merger, the Offeror will assume all assets, liabilities, interests, businesses, employees, contracts and all other rights and obligations of the Company and the Company will be eventually deregistered.

As stated in the section headed "7. REASONS FOR AND BENEFITS OF THE MERGER" set out in the Letter from the Board, the Merger is being proposed for several reasons. The Merger represents an attractive exit opportunity for H Shareholders while addressing the Company's operational and financial challenges as a listed entity. Specifically, the Merger offers the following benefits: (a) it allows H Shareholders to realise their investments at a significant premium amidst low trading liquidity; (b) it addresses the Company's limited ability to raise equity funds due to its diminished status as a listed platform; and (c) it supports the Company's long-term development by providing strategic flexibility in a challenging market environment.

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Since 2021, the H Shares have experienced a persistent downward trend in price, coupled with low trading volumes, and trading was suspended from 2 February 2023 to 30 July 2024, due to insufficient public float. This has severely restricted the Company's ability to raise funds through equity markets. Additionally, the Company faces ongoing challenges, including volatility in the international landscape and weak domestic consumer markets, which may necessitate strategic initiatives that could impact short-term financial performance and potentially lead to losses for H Shareholders. The Merger enables the Company to delist from the Stock Exchange, reducing administrative, compliance, and other listing-related costs, while allowing greater focus on long-term growth strategies without the pressures of market expectations and stock price volatility. Further details are provided in the same section of the Letter from the Board.

5. ANALYSIS OF THE CANCELLATION PRICE

In assessing the reasonableness of the Cancellation Price, we have considered the following principal factors:

5.1 Cancellation Price comparison

The Cancellation Price is HK\$2.0 per H Share and RMB1.858440 per Domestic Share (equivalent to the Cancellation Price of HK\$2.0 per H Share based on the Exchange Rate). The Cancellation Price per H Share represents:

- (a) a premium of approximately 6.38% over the closing price per H Share of HK\$1.88 on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 33.33% over the closing price per H Share of HK\$1.50 on the Stock Exchange on the Last Trading Date;
- (c) a premium of approximately 39.86% over the average closing price of HK\$1.43 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Date;
- (d) a premium of approximately 44.93% over the average closing price of HK\$1.38 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 60 consecutive trading days immediately prior to and including the Last Trading Date;
- (e) a premium of approximately 62.60% over the average closing price of HK\$1.23 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 90 consecutive trading days immediately prior to and including the Last Trading Date;

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- (f) a premium of approximately 72.41% over the average closing price of HK\$1.16 per H Share based on the daily closing prices of H Shares as quoted on the Stock Exchange for the 120 consecutive trading days immediately prior to and including the Last Trading Date;
- (g) a discount of approximately 11.50% to the audited NAV of the Company of approximately RMB2.09 (equivalent to approximately HK\$2.26) per Share as at 31 December 2024 (calculated based on (i) the audited consolidated net asset value attributable to the Shareholders as stated in the 2024 annual results of the Company published on 28 March 2025; (ii) 1,583,348,000 Shares in issue as at the Latest Practicable Date; and (iii) the exchange rate of HK\$1:RMB0.92604, being the median exchange rate on 31 December 2024 as announced by the People's Bank of China); and
- (h) a discount of approximately 15.25% to the unaudited adjusted NAV of the Company (the “**Adjusted NAV**”) of approximately RMB2.19 (equivalent to approximately HK\$2.36) per Share as at 31 December 2024, after taking into account of the property valuation report as at 30 April 2025 set out in Appendix II to this Composite Document, calculated based on (i) the total number of issued Shares as at the Latest Practicable Date; and (ii) the exchange rate of HK\$1:RMB0.92604, being the median exchange rate on 31 December 2024 as announced by the People's Bank of China.

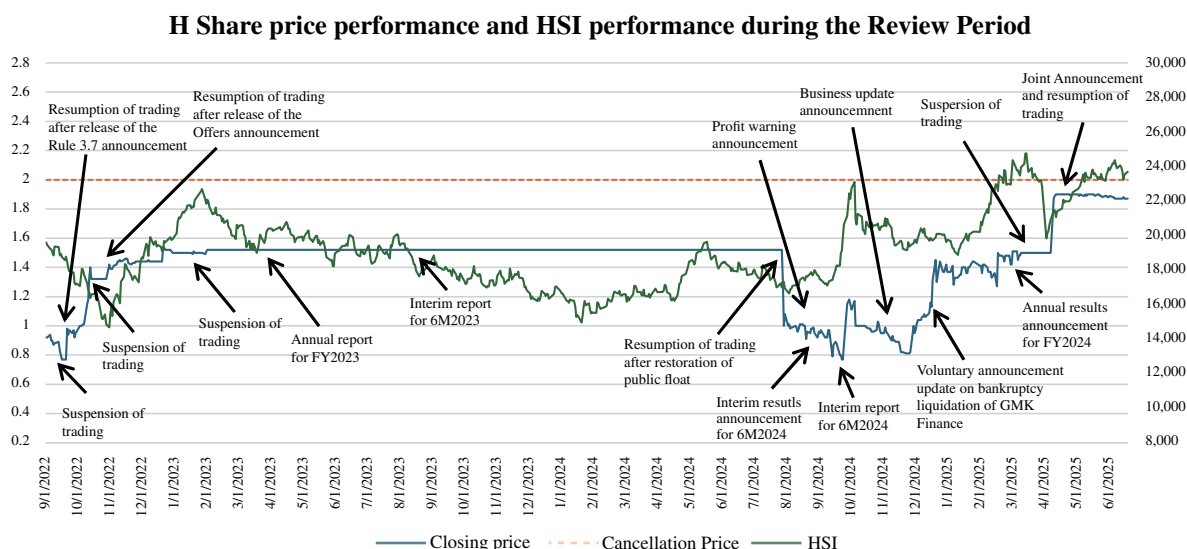
According to the property valuation report enclosed in Appendix II to the Composite Document, we noted that the Group's property interests (including but not limited to, interests in land and buildings held by the Group) (collectively, the “**Properties**”) subject to valuation are currently utilised by the Group for its production and operating purposes (such as feed factory, tractor station, hatchery, petroleum station, cold storage plants, wastewater treatment plant, packaging plant, cooked food plant, office and ancillary facilities). Given that the Properties are held for operational purposes rather than for investment, and considering their limited liquidity in the open market due to their specialised nature, we are of the view that the upward adjustment in NAV of the Company is purely theoretical gain which is not meant to be recognised or realised by the Group under the current circumstances.

5.2 Share price analysis

Trading of the H Shares was suspended from 2 February 2023 to 30 July 2024 as a result of insufficient public float following the close of the unconditional mandatory cash offers for all the H Shares and the Domestic Shares made by Falcon Holding (the “**Offers**”). To provide a comprehensive view of at least one year (i.e. approximately 250 trading days) of trading activity of the H Shares prior to the Last Trading Date, we set out below the chart showing the movement of the daily closing prices of the H Shares as quoted on the Stock Exchange during the period from 1 September 2022 to the Last Trading Date and up to and including the Latest Practicable Date (the “**Review Period**”). We consider the Review Period to be fair, reasonable and representative as we consider it a sufficient period to illustrate the general

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trend and level of movement of the daily closing prices of the H Shares. For the purpose of this analysis, we also conducted a comparison of the closing prices of the H Shares with Hang Seng Index (the “HSI”) and the Cancellation Price.



Source: the Stock Exchange

Prior to the release of the Rule 3.7 announcement in relation to the Offers published on 20 September 2022 (the “**Rule 3.7 Announcement**”), the H Shares traded between HK\$0.77 to HK\$0.94 from 1 September 2022 to 16 September 2022. Following the release of the Rule 3.7 Announcement, the H Share trading price increased substantially from HK\$0.77 on 16 September 2022, being the trading date prior to the release of the Rule 3.7 Announcement, to HK\$0.98 on 21 September 2022. The H Share trading price further increased to HK\$1.42 on 31 October 2022 after the release of the joint announcement in relation to the Offers pursuant to Rule 3.5 of the Takeovers Code on 28 October 2022. Subsequently, the H Shares traded in a range of HK\$1.39 to HK\$1.54, closely aligning with the offer price of the Offers of HK\$1.5132 per H Share. Trading of the H Shares was suspended from 2 February 2023 to 30 July 2024, due to insufficient public float following the close of Offers.

After fulfillment of the public float requirement under the Listing Rules, H Shares resumed trading on 31 July 2024, the closing price of the H Shares fell sharply from HK\$1.52 per H Share to HK\$1.31 per H Share on 31 July 2024 and further dropped to HK\$1.00 per H Share on 1 August 2024. Meanwhile, we note that the HSI experienced a downward trend during the suspension period of the H Shares where HSI experienced a drop from a peak of around 22,700 points on 27 January 2023 to a low of around 14,900 points on 22 January 2024. We consider the substantial decline in the H Share trading price immediately after its resumption of trading could be primarily a result of aligning with the HSI’s downturn during the suspension period. Thereafter, the closing price of the H Shares continued to drop to HK\$0.77 on 25 and 26 September 2024. During this period, the Company issued its interim results for 6H2024 on 24 August 2024. The closing price of the H Shares started to rise from

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HK\$0.77 to HK\$0.87 per H Share on 27 September 2024 and rose further to HK\$1.18 per H Share on 2 October 2024 and closed above HK\$1.17 per H Share on 7 October 2024. We note that this aligned with strong rising trend of the HSI due to the stimulus package announced by the Chinese regulatory authorities in late September 2024 aiming at revitalising the economy, during the same timeframe where HSI reached its peak of 2024, which closed at 23,099 points on 7 October 2024.

Following the significant rebound of the H Share price in early October 2024, the closing price of the H Shares started to decline, reaching another low of HK\$0.81 per H Share in late November 2024 during the Review Period. The performance of the H Shares was generally in line with the HSI during the same period. In early December, the closing price of the H Share began to recover. On 19 December 2024, the Company announced an update on the bankruptcy liquidation of GMK Finance, indicating its entitlement to receive related liquidation assets, which led to a sharp increase of approximately 15.9% in the closing price of the H Shares from HK\$1.13 to HK\$1.31 on the following day. Subsequently, the closing prices of the H Shares fluctuated between HK\$1.27 and HK\$1.51 during the period from 20 December 2024 to 14 March 2025. Trading of the H Shares was suspended on 17 March 2025 pending the issue of the joint announcement in relation to the Merger and the Rollover Arrangement (the “**Joint Announcement**”).

Subsequent to the publication of the Joint Announcement on 11 April 2025 and resumption of trading on 14 April 2025, the closing price of the H Shares surged to HK\$1.87 per H Share. During the period from the first trading day after the publication of the Joint Announcement and up to the Latest Practicable Date (the “**Post Joint Announcement Period**”), the closing prices of the H Shares had been trading below the Cancellation Price within a narrow band of between HK\$1.87 per H Share and HK\$1.90 per H Share, which is significantly above the average closing H Shares price of approximately HK\$1.32 per H Share during the Review Period.

The last closing price of the H Shares immediately before the suspension of trading of H Shares on 2 February 2023 in relation to the Company’s non-fulfillment of the minimum public float requirement under the Listing Rules was HK\$1.52. Based on the H Shares trading days during the Review Period, the H Shares traded at an average of approximately HK\$1.32, with the highest and lowest closing prices of the H Shares, being approximately HK\$1.90 recorded on 16 April 2025, 17 April 2025, 22 April 2025, 23 April 2025, 24 April 2025, 25 April 2025, 28 April 2025 and 29 April 2025, 2 May 2025, 6 May 2025, 7 May 2025, 9 May 2025, 14 May 2025, 16 May 2025, 19 May 2025, 20 May 2025, 21 May 2025, 22 May 2025, 26 May 2025 and 27 May 2025, and HK\$0.77 recorded on 16 September 2022, 25 September 2024 and 26 September 2024, respectively. The Cancellation Price is higher than the historical closing prices of the H Shares throughout the entire Review Period and represents premia of approximately 159.7%, 5.3% and 51.5% over the lowest, highest and average closing prices of the H Shares, respectively, during the Review Period.

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The Cancellation Price of HK\$2.0 per H Share consistently exceeded the closing prices on all trading days throughout the Review Period. Therefore, we consider that the Merger provides an opportunity for the Independent H Shareholders, especially those with relatively sizeable shareholdings, to liquidate their investment in H Shares at a fixed price representing premium to the prevailing trading price of the H Shares.

5.3 Discount of the H Share price to net asset value attributable to owners of the Company per Share

The Cancellation Price of HK\$2.0 per Share represents (i) a discount of approximately 11.5% to the NAV per Share of approximately HK\$2.26 as at 31 December 2024; and (ii) a discount of approximately 15.3% to the Adjusted NAV per Share of approximately HK\$2.36 as at 31 December 2024. Set out below is a table illustrating the historical average market capitalisation of the Company against the Company's published NAV/Adjusted NAV for the previous three years and up to the Last Trading Date.

Period	Latest published NAV/Adjusted NAV per H Share ¹ (HK\$)	Closing price per H Share			Premium/(Discount) over/to NAV/Adjusted NAV per H Share		
		Highest	Lowest	Average	Highest	Lowest	Average
		(HK\$)	(HK\$)	(HK\$)	Approx. %	Approx. %	Approx. %
2022/4/1–2022/8/15	2.62	1.51	0.79	1.19	(42.4)	(69.9)	(54.6)
2022/8/16–2023/3/31 ²	2.54	1.54	0.77	1.27	(39.6)	(69.8)	(50.2)
2023/4/1–2023/8/16 ³	2.02	N/A	N/A	N/A	N/A	N/A	N/A
2023/8/17–2024/3/28 ³	2.08	N/A	N/A	N/A	N/A	N/A	N/A
2024/3/29–2024/8/25 ⁴	2.07	1.31	0.91	1.01	(36.7)	(56.0)	(51.2)
2024/8/26–Last Trading Date ⁵	2.11	1.51	0.77	1.14	(28.3)	(63.5)	(45.9)
2024/8/26–Last Trading Date ⁶	2.36 ⁷	1.51	0.77	1.14	(36.0)	(67.4)	(51.7)

Source: the Stock Exchange

Notes:

- The NAV per H Share represents the latest published NAV of the Company divided by number of issued Shares prior to the respective months based on the exchange rate of HK\$1=RMB0.92604 for illustrative purpose. The respective latest published NAVs of the Company were extracted from the Company's annual results announcement for FY2021, FY2022 and FY2023 published on 31 March 2022, 31 March 2023 and 28 March 2024 respectively and the Company's interim results announcements for 6H2022, 6H2023 and 6H2024 published on 15 August 2022, 16 August 2023 and 25 August 2024 respectively.
- During the period from 16 August 2022 to 31 March 2023, as the trading of H Shares was suspended since 2 February 2023, the closing price data for H Shares covers the period from 16 August 2022 to 1 February 2023.

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3. The trading of H Shares was suspended during the period from 2 February 2023 to 30 July 2024 due to the Company's failure to meet the public float requirement under the Listing Rules following the close of the Offers, hence no relevant pricing information for comparison during the periods.
4. During the period from 29 March 2024 to 25 August 2024, as the trading of H Shares was not resumed until 31 July 2024, the closing price data for H Shares covers the period from 31 July 2024 to 25 August 2024.
5. The Company's annual results announcement for FY2024 was published on 28 March 2025, after the Last Trading Date.
6. As the Company's annual results announcement for FY2024 was published after the Last Trading Date, we demonstrated the comparison of the Adjusted NAV with the closing price data of H Shares during the period from 26 August 2024 to the Last Trading Date.
7. The Adjusted NAV per H Share as at 31 December 2024 in HK\$, based on the number of issued Shares as at the Latest Practicable Date and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose.

As shown in the table above, the H Shares have consistently traded at a discount to the NAV/Adjusted NAV per H Share, with the average discounts (the “**Average Discounts**”), following the release of annual and interim results announcements, ranging from approximately 45.9% to 54.6%. Despite the trading suspension of the H Shares from 2 February 2023 to 30 July 2024, the table shows that the average closing price of the H Shares remained below the latest published NAV/Adjusted NAV per H Share both before and after the suspension. During the last period (i.e. 26 August 2024 to the Last Trading Date), the H Shares also traded at an average discount to the Adjusted NAV per Share of approximately 51.7%, aligning with the Average Discounts in other periods. This suggests that over the past three years, the investors in the stock market may not have valued the H Shares primarily based on the NAV/Adjusted NAV per Share of the Company. Instead, they likely focused on other fundamentals, such as financial performance metrics of the Company (including revenue growth and profit margin), the valuation ratios, the industry trends, the market position and the Company's future prospects when determining the trading price of the H Shares. Based on the above, we consider the discount to the Cancellation Price to NAV/Adjusted NAV per H Share, which is lower than the Average Discounts, is acceptable.

5.4 Historical trading liquidity of the H Shares

Apart from the H Share price analysis, we have conducted a review on the trading liquidity of the H Shares. The table below sets out the average daily trading volume of the H Shares on a monthly basis during the Review Period and the respective percentages of the average daily trading volume of the H Shares as compared to the total number of issued H Shares and H Shares held by Independent H Shareholders.

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			Approximate percentage of average daily trading volume to the total number of H Shares held by the Independent H Shareholders ²
	Number of trading days	Approximate average daily trading volume of the H Shares	Approximate percentage of average daily trading volume to the total number of H Shares in issue ¹
2022			
September	19	586,789	0.037%
October	20	2,057,100	0.130%
November	22	1,096,227	0.069%
December	20	1,333,121	0.084%
2023			
January	18	1,348,500	0.085%
February	1	15,000	0.001%
March–December ³	N/A	N/A	N/A
2024			
January–June ³	N/A	N/A	N/A
July	1	13,000	0.001%
August	22	577,727	0.036%
September	19	317,700	0.020%
October	21	166,857	0.011%
November	21	239,890	0.015%
December	20	293,350	0.019%
2025			
January	19	71,421	0.005%
February	20	120,000	0.008%
March	10	36,200	0.002%
April	11	874,273	0.055%
May	20	200,150	0.013%
June	21	218,381	0.014%
July	2	184,000	0.006%

Source: the Stock Exchange

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Notes:

1. The calculation is based on the average of the daily trading volume of the H Shares divided by the total number of H Shares in issue in the relevant period.
2. The calculation is based on the average daily trading volume of the H Shares divided by the number of Shares held by the Independent H Shareholders.
3. Trading of H Shares was suspended during the relevant periods, resulting in no trading transactions.

As illustrated in the above table, throughout the Review Period and up to the Latest Practicable Date, the liquidity of Shares remained generally low. The average daily trading volume as a percentage of the total issued Shares ranged from approximately 0.001% to 0.130%, and from 0.006% to 0.942% when considering only the H Shares held by Independent H Shareholders. The average daily trading volume of the H Shares during the Review Period was approximately 547,018 H Shares, representing approximately 0.035% of the total issued H Shares and 0.250% of the H Shares held by Independent H Shareholders respectively.

Given the above, we consider that the trading volume of the H Shares was thin and any sale of a significant number of the H Shares on the market may exert downward pressure on the market price of the H Shares.

Independent H Shareholders should note that in the event which the Merger is not effective or the Merger lapses, neither the Offeror nor any person who acted in concert with the Offeror may announce an offer or possible offer for the Company within 12 months. As such, in lieu of the Merger, Independent H Shareholders may only dispose of their H Shares on-market. Considering the trading volume of the H Shares was thin, Independent H Shareholders may experience difficulty in disposing of their H Shares and any sale of a significant number of the H Shares on the market may result in downward pressure on the market price of the H Shares. In addition, once trading in the H Shares is suspended, it will create further obstacle for the Independent H Shareholders to dispose of their H Shares.

From a trading liquidity standpoint, we consider that the Merger provides an exit alternative for the H Shareholders to realise their investments in the H Shares at the Cancellation Price of HK\$2.0 per H Share, which is fair and reasonable.

5.5 Comparable companies

The Group is a white-feathered broiler meat exporter and retail enterprise of chicken meat food in the PRC. The Company produces and sells processed chicken meat products and raw chicken meat products mainly from white-feathered broilers. Although the Group has successfully achieved international coverage, its principal place of operation is Mainland China, which generated over approximately 70% of the Group's total revenue for the three years ended 31 December 2024. Price-to-earnings (“**P/E(s)**”) and price-to-book (“**P/B(s)**”) are the two most commonly used benchmarks in valuing a company which is in net profit position. Since the Group recorded a net profit for FY2024 and maintained a net assets position as at 31 December 2024, we consider the valuation methodology using P/E and P/B is more appropriate in valuing the Group.

In assessing the fairness and reasonableness of the Cancellation Price, we consider that it is relevant to assess the Cancellation Price by marking reference to market valuation for companies listed on the Main Board of the Stock Exchange which are principally engaged in business similar to those of the Group. Based on our search on the website of the Stock Exchange, we sought to identify other listed companies operating in the same industry as the Group, specifically poultry breeding and meat production in the PRC. However, we were unable to find any companies meeting these exact criteria. As a result, we expanded the industry scope to include livestock production in the PRC, covering animal breeding and meat production. This led us to compile an exhaustive list of companies (the “**Comparable Companies**”) which are (i) principally engaged in livestock production business in the PRC; (ii) have their shares listed and traded on the Main Board of the Stock Exchange; and (iii) recorded positive net assets in their most recent audited financial statements. Based on the aforesaid criteria, we have identified four Comparable Companies. Given that the Comparable Companies are principally engaged in the livestock production business as the Group does and all of them generated over 50% of total revenue from the PRC, we consider that the Comparable Companies are fair and representative for comparison purpose.

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The following table set out the details of the Comparable Companies:

Company name (stock code)	Principal business	Market capitalisation as at the Last Trading Date (HK\$ million)	P/E ¹	P/B ²
China Kangda Food Company Limited (834.HK)	Processing and sales of rabbit meat and chicken meat businesses	74.3	NA	0.13
Huisheng International Holdings Limited (1340.HK)	Production and sale of (i) pork and related meat food products; and (ii) hog breeding and hog farming	31.4	NA	0.07
COFCO Joycome Foods Limited (1610.HK)	Feed production, hog production, slaughtering and cutting, production, distribution and sale of fresh pork and processed meat products, import and distribution of meat products	6,918.8	11.90	0.68
Dekon Food and Agriculture Group (a joint stock company incorporated in the PRC with limited liability) (2419.HK)	Providing market hogs, breeding pigs, market piglets and boar semen; providing yellow- feathered broilers, chicks and eggs; and providing ancillary products such as ingredients, fresh meat and others	13,435.7	3.03	1.47
		Highest	11.90	1.47
		Lowest	3.03	0.07
		Mean	7.47	0.59
		Median	7.47	0.41
The Company (9977.HK)	Production and sale of processed chicken meat products and raw chicken meat products mainly from white-feathered broilers	3,166.7 ³	10.44 ⁴	0.89 ⁵ 0.85 ⁶

Source: the Stock Exchange

Notes:

- For each of the Comparable Companies, its P/E is calculated based on the market capitalisation as at the Last Trading Date, the profit attributable to its shareholders for the latest financial year and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose;

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2. For each of the Comparable Companies, its P/B is calculated based on the market capitalisation as at the Last Trading Date, the NAV as at the end of the latest financial year and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose;
3. The implied market capitalisation of the Company is calculated based on the Cancellation Price and the total number of issued Shares as at the Last Trading Date;
4. The implied P/E of the Company is calculated based on the Cancellation Price, the total number of issued Shares as at the Last Trading Date, the profit attributable to the Shareholders of the Company for FY2024 and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose;
5. The implied P/B of the Company is calculated based on the Cancellation Price, the total number of issued Shares as at the Last Trading Date, the NAV of the Company as at 31 December 2024 and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose; and
6. The implied P/B of the Company is calculated based on the Cancellation Price, the total number of issued Shares as at the Last Trading Date, the Adjusted NAV of the Company as at 31 December 2024 and the exchange rate of HK\$1=RMB0.92604 for illustrative purpose.

As shown in the table above, among the four selected Comparable Companies, two of them reported net losses in their most recent financial year. On the Last Trading Date, the P/E ratios of the Comparable Companies ranged from approximately 3.03 to 11.90 times, with both the mean and median of the P/E ratios of the Comparable Companies of approximately 7.47 times. The Company's implied P/E ratio of approximately 10.44 times exceeds both the mean and median P/E ratios of the Comparable Companies. On the other hand, the P/B ratios of the Comparable Companies ranged from approximately 0.07 time to 1.47 times, with a mean of about 0.59 time and a median of 0.41 time on the Last Trading Date. The Company's implied P/B ratio based on the NAV of the Company as at 31 December 2024 of approximately 0.89 time is above both the mean and median P/B ratios of the Comparable Companies. Moreover, The Company's implied P/B ratio based on the Adjusted NAV of the Company as at 31 December 2024 of approximately 0.85 time is above both the mean and median P/B ratios of the Comparable Companies.

As indicated in the table above, a total of four Comparable Companies were identified for analysis. Of these, two companies reported a net profit, while the remaining two incurred a net loss for the latest financial year. As a result, only the two companies with positive net profits have a P/E ratio available for comparison with the implied P/E ratio of the Cancellation Price. Despite the limited number of companies with P/E ratios, we consider the comparison remains meaningful given that (i) the selected Comparable Companies are representative of the Group's industry and exhibit business operations that are sufficiently similar to the Group's, ensuring relevance in the analysis; (ii) additional valuation metric, such as the P/B ratio, is available for all four Comparable Companies, providing a broader basis for comparison; and (iii) the results from both valuation metrics did not contradict with each other where both indicated the Cancellation Price to be fair and reasonable. In conclusion, despite the constraint of having only two Comparable Companies with P/E ratios, the comparison remains sufficient and meaningful, supported by the representativeness of the selected companies, the alignment

of their business profiles with the Group's operations and the use of other metric and we consider the Cancellation Price to be fair and reasonable from the perspective of Comparable Companies comparison.

5.6 Precedent privatisations

To evaluate the fairness and reasonableness of the Cancellation Price, we conducted a search for completed privatisation proposals of companies listed on the Main Board of the Stock Exchange, excluding those without a cash alternative consideration during the last 12 month period prior to the Last Trading Date and up to the Latest Practicable Date (the “**Privatisation Precedents**”). We believe such review period is appropriate and reasonable to capture a sufficient number of recent Privatisation Precedents for our analysis of the Cancellation Price. While the Company's business, operations, profitability, financial position and prospects differ from those of the companies in the Privatisation Precedents, these precedents reflect market practices for similar transactions during last 12 months and may offer another angle for the Independent H Shareholders for consideration.

The table below details the premiums or discounts of the cancellation/offer price relative to the last trading day prior to the respective announcement of the Privatisation Precedents and the average share prices over the preceding 5, 10, 30, 60 and 90 days prior to the respective announcement of the Privatisation Precedents as well as latest NAV per share, or reassessed/adjusted NAV per share (if available) for these privatisation proposals. The Privatisation Precedents compare the cancellation/offer price to the prevailing market prices per share of successful privatisation proposals executed. Since market sentiment toward successful privatisation proposals can be assessed by comparing the cancellation/offer price to prevailing market prices per share, we consider the Privatisation Precedents a suitable basis for evaluating the fairness and reasonableness of the Cancellation Price. A list of 13 Privatisation Precedents below represent an exhaustive list of privatisation proposals meeting the specified criteria, with a summary provided in the table below:

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Premium/(discount) of cancellation/offer price over/to the closing price/average closing price per share on/over ¹										
Date of Rule 3.5 announcement	Company name (stock code)	Principal business	Last full trading days	Premium or (discount) represented by cancellation/offer price over/to the latest NAV/Adjusted NAV per share as disclosed in the respective scheme/offer document ²					NAV to revenue ratio ³	
				5-trading day	10-trading day	30-trading day	60-trading day	90-trading day		
2024/4/18	Kin Yat Holdings Limited (638.HK)	Development and production of electrical and electronic products and real estate development in the PRC	33.3%	43.4%	47.3%	51.5%	53.6%	55.9%	(57.4)%	77.5%
2024/4/29	L'Occitane International S.A. (973.HK)	Manufactures and retails beauty and well-being products	30.8%	36.1%	40.6%	49.9%	60.8%	60.5%	598.5% ⁴	33.7%
2024/5/27	Huafa Property Services Group Company Limited (982.HK)	Property management services, hotel advisory and exhibition services in the PRC	30.6%	36.8%	40.1%	70.6%	82.4%	88.3%	970.1% ⁴	13.8%
2024/6/7	CPMC Holdings Limited (906.HK)	Manufacturing and sales of packaging products for consumer goods such as food, beverages and household chemical products in the PRC	4.9%	5.6%	5.8%	6.8%	5.7%	5.4%	26.7%	54.1%
2024/6/12	A8 New Media Group Limited (800.HK)	Cultural business and property investment in the PRC	162.8%	159.0%	168.7%	185.7%	185.7%	174.8%	(48.1)%	2,276.6%
2024/6/19	Asia Standard Hotel Group Limited (292.HK)	Holding and operating hotels in Hong Kong and property development in Canada	52.8%	48.6%	41.0%	57.1%	71.9%	71.9%	(98.6)%	253.6%
2024/7/16	Samson Holding Ltd. (531.HK)	Manufacturing and sale of furniture, trading of furniture and procurement services	50.0%	75.3%	94.6%	143.2%	181.4%	182.2%	(47.1)%	75.7%

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Date of Rule 3.5 announcement	Company name (stock code)	Principal business	Last full trading days	Premium/(discount) of cancellation/offer price over/to the closing price/average closing price per share on/over ¹					NAV to revenue ratio ³
				5-trading day	10-trading day	30-trading day	60-trading day	90-trading day	
2024/9/2	Doyen International Holdings Limited (668.HK)	Investment property holding in the PRC, provision of financing, investment holding, sales of flowers and plants and distressed assets management	78.6%	81.4%	82.3%	81.4%	86.2%	112.9%	(39.3)% 1,051.6%
2024/10/14	CM Hi-Tech Cleanroom Limited (2115.HK)	Provision of cleanroom wall and ceiling systems and cleanroom equipment in the PRC, Malaysia and Philippines	25.0%	23.8%	26.9%	30.2%	39.7%	41.7%	(3.2)% 90.1%
2024/10/28	Beijing Capital Grand Limited (1329.HK)	Investment property development and operation, property development and sale of merchandise inventories	44.6%	54.6%	55.1%	41.8%	47.9%	65.4%	(52.9)% 204.6%
2024/11/22	Ronshine Service Holding Co., Ltd (2207.HK)	Property management services provider in the PRC	15.4%	9.1%	1.7%	(6.3)%	1.9%	(6.5)%	(53.5)% 79.1%

Premium or (discount) represented by cancellation/offer price over/to the latest NAV/Adjusted NAV per share as disclosed in the respective scheme/offer document²

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Date of Rule 3.5 announcement	Company name (stock code)	Principal business	Last full trading days	Premium/(discount) of cancellation/offer price over/to the closing price/average closing price per share on/over ⁴					NAV to revenue ratio ³
				5-trading day	10-trading day	30-trading day	60-trading day	90-trading day	
2024/12/19	Pentamaster International Limited (1665.HK) ⁵	Designing, development and manufacturing of standard and non-standard automated test equipment, designing, development and installation of integrated factory automation solutions, and manufacturing and assembling of medical machines and manufacturing of die casting parts	25.0%	49.3%	53.6%	52.7%	50.2%	51.0%	32.6%
2024/12/27	Vesync Co., Ltd (2148.HK)	Design, development and sales of small home appliances	33.3%	34.4%	37.3%	44.4%	36.1%	36.4%	122.3%
	Highest		162.8%	159.0%	168.7%	185.7%	185.7%	182.2%	970.1%
	Lowest		4.9%	5.6%	1.7%	(6.3)%	1.9%	(6.5)%	122.3% ⁶
	Mean		45.2%	50.6%	53.5%	62.2%	69.5%	72.3%	(98.6)% ⁶
	Median		33.3%	43.4%	41.0%	51.5%	53.6%	60.5%	(98.6)% ⁶
									103.9%
									(19.9)% ⁶
									(39.3)%
									(47.1)% ⁶
2025/4/14	The Company		33.3%	34.8%	35.5%	39.9%	44.9%	62.6%	(11.5)% ⁷
									(15.3)% ⁸

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Source: the Stock Exchange

Notes:

1. The above figures are extracted from the respective scheme documents. If such data is not available, the figures are calculated based on the cancellation/offer price divided by average closing price of shares during the relevant period.
2. Premium/(discount) represented by cancellation/offer price over/to the then latest NAV per share, or reassessed/adjusted NAV per share (if available), as disclosed in the respective scheme or offer document.
3. The NAV to revenue ratio is computed by dividing revenue by NAV of the respective Privatisation Precedents, using the revenue and NAV figures from the Privatisation Precedents' most recent financial annual results prior to their respective privatisation or offer announcement.
4. The Outliers (as defined below), which significantly deviate from other Privatisation Precedents due to their substantially higher or lower values, were excluded from our analysis.
5. The shareholders of Pentamaster International Limited received a total of HK\$1.00 per scheme share, including the cancellation price of HK\$0.93 per scheme share and the special dividend of HK\$0.07 per scheme share.
6. The premium/(discount) represented by cancellation/offer price over/to the then latest NAV per share are adjusted by removing the Outliers (as defined below).
7. The discount is computed based on the Cancellation Price and the NAV per Share as at 31 December 2024.
8. The discount is computed based on the Cancellation Price and the Adjusted NAV per Share as at 31 December 2024.

As shown in the above table, the mean premia and/or discounts of the Privatisation Precedents, relative to the closing price on the respective last trading day prior to the respective announcement of the Privatisation Precedents and the average closing prices over the last 5, 10, 30, 60, and 90 trading days prior to the respective announcement of the Privatisation Precedents, range from approximately 45.2% to 72.3%. The median premia and/or discounts for the same periods range from approximately 33.3% to 60.5%. Upon comparison, the premia represented by the Cancellation Price of HK\$2.0 over the last trading day and the average closing prices over the last 5, 10, 30, 60, and 90 trading days of the H Shares prior to the date of the Joint Announcement ranging from approximately 33.3% to 62.6% are generally in line with those of the Privatisation Precedents under the corresponding timeframes.

On the other hand, the mean premia of the Privatisation Precedents, relative to the NAV per share, was approximately 103.9%, while the median reflected a discount of approximately 39.3%. We observed that such significant disparity between the mean and median is primarily attributed to two notable privatisation precedents with the exceptionally high premia to the NAV per share, being L'Occitane International S.A. ("**L'Occitane**") and Huafa Property Services Group Company Limited ("**Huafa**"). They recorded premia over their NAV per share of approximately 598.5% and 970.1% respectively. Based on our analysis of the NAV to

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revenue ratio for the companies in the Privatisation Precedents which we consider to be a parameter showing whether a company's revenue is dependent on the operating assets, we note that L'Occitane and Huafa recorded the lowest ratios at 33.7% and 13.8% respectively. According to L'Occitane's annual report, it is an international multi-brand company and its tangible assets such as property, plants and equipment, and inventories accounted for around 19% of its total assets as at 31 March 2024. On the other hand, Huafa's annual report indicates that, Huafa is a property management company and had total assets of approximately RMB1,047.2 million as at 31 December 2023, with tangible assets such as property, plants and equipment, and inventories accounting for around 4.9% of its total assets. Above findings indicate that L'Occitane and Huafa which have low NAV to revenue ratio and low tangible asset ratio are comparatively asset-light companies among the companies in the Privatisation Precedents. Considering that these extremely high premia of the cancellation prices relative to their respective NAV could distort the overall results, we excluded these two Privatisation Precedents (the “**Outliers**”) to present the shortlisted results of the analysis of the cancellation price to the NAV per share of the Privatisation Precedents (the “**Shortlisted Results**”). After excluding the Outliers, the mean and median discounts of the Shortlisted Results are approximately 19.9% and 47.1% respectively. In comparison, (i) the Cancellation Price of HK\$2.0 per H Share representing approximately 11.5% discount to the NAV of the Company as of 31 December 2024 per H Share is lower than the mean and median discounts to the respective NAV per share of the Shortlisted Results; and (ii) the Cancellation Price of HK\$2.0 per H Share representing approximately 15.3% discount to the Adjusted NAV of the Company as of 31 December 2024 per H Share is lower than the mean and median discounts to the respective NAV per share of the Shortlisted Results.

Based on above, the Cancellation Price, being similar to the cancellation/offer price of the Privatisation Precedents, was also set at premium to the recent closing prices. Notwithstanding that the premium implied by the Cancellation Price over past 5, 10, 30 and 60 consecutive trading days immediately prior to and including the last trading day are lower than the mean and median of those of the Privatisation Precedents, we consider the level of premia were significant higher than the relevant average closing prices in general implying H Shareholders who acquired their H Shares during these time will record gain if they choose to approve the Merger and such phenomenon is in line with other Privatisation Precedents.

Although there are differences in the business nature, operational models, profitability, financial position and prospects between the Group and the companies included in the Privatisation Precedents, we wish to highlight that the above analysis can provide an insight of the recent pricing on the privatisation cases in the Hong Kong capital market. We are of the opinion that the results of the relevant comparison from the perspective of the Privatisation Precedents above does not contradict with our analysis of the Merger. Independent H Shareholders should not only rely on the above analysis of the Privatisation Precedents to make their decisions and should consider the overall perspective of the various factors, including the historical price performance of the H Shares, the discounts of the H Share price to NAV over the recent years and Adjusted NAV, the P/E ratio and P/B ratio of the Company implied by the Cancellation Price.

6. THE ROLLOVER ARRANGEMENT

The Offeror would like to allow Platinum Peony to retain its shareholding in the Company after the Merger by way of the Rollover Arrangement. As at the Latest Practicable Date, Platinum Peony holds 156,679,000 H Shares, representing approximately 29.10% of the H Shares and approximately 9.90% of the total issued share capital of the Company.

Platinum Peony is a restricted scope company incorporated under the laws and regulations of the Abu Dhabi Global Market (in the Emirate of Abu Dhabi, United Arab Emirates), and is wholly owned by the Abu Dhabi Investment Authority. The principal business activity of Platinum Peony is investment holding.

The Offeror is of the view that it is important for the Company to retain Platinum Peony after the Merger, which will enhance the Group's competitiveness in the market and benefit the Group's long-term sustainable development and growth.

To document the Rollover Arrangement, Platinum Peony has issued a confirmation letter to the Offeror, pursuant to which Platinum Peony confirms that, subject to (i) the final offer price for the cancellation of H Shares held by Platinum Peony under the Merger being HK\$2.0 per H Share, and the registered capital of the Offeror to be issued to Platinum Peony being RMB291,178,520.76, (ii) the signing of the Merger Agreement in the form attached to the confirmation letter, and (iii) there being no material deviation between the form and contents of the executed version of the Merger Agreement with the agreed form and contents of such agreement as appended to the confirmation letter, Platinum Peony agrees to be issued with RMB1.858440 registered capital of the Offeror for each H Share it holds, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share, in consideration for the cancellation of the H Shares it holds pursuant to the Merger Agreement.

In connection with the Rollover Arrangement, it is contemplated that the Offeror and Platinum Peony will enter into the Capital Increase Agreement within two months after the Conditions have been satisfied. In consideration for the cancellation of the H Shares held by Platinum Peony, Platinum Peony will be issued with RMB1.858440 registered capital of the Offeror for each H Share, which is equivalent to the Cancellation Price in RMB based on the Exchange Rate for each H Share. It is also contemplated that Falcon Holding and Platinum Peony will enter into the Shareholders Agreement on or around the same time as the signing of the Capital Increase Agreement.

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror has made an application for consent from the Executive to the Rollover Arrangement conditional on: (i) the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; and (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony)

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at the EGM to approve the Rollover Arrangement. Accordingly, as set out in the paragraph headed “Conditions to effectiveness” in the Letter from the Board, the Merger Agreement shall become effective subject to, among other things, (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony) at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement. Each of Falcon Holding, Platinum Peony and Chelt is considered to be acting in concert with the Offeror, and is therefore not an Independent H Shareholder and will not be voting on the Merger at the H Share Class Meeting or the Rollover Arrangement at the EGM.

6.1 Assessment on the Rollover Arrangement

Under the Rollover Arrangement, the Offeror and Platinum Peony will enter into the Capital Increase Agreement. In assessing the fairness and reasonableness of the Rollover Arrangement, we have considered the following factors:

The primary objective of the Rollover Arrangement is to incentivise Platinum Peony to remain a significant shareholder in the Company, thereby fostering the Group’s market competitiveness and supporting its long-term sustainable growth and development. Platinum Peony, a wholly owned subsidiary of the Abu Dhabi Investment Authority, operates as an investment holding entity with a robust and sophisticated background, bringing valuable expertise and credibility to the Group.

As highlighted in the section titled “2. Industry overview and prospects of the Group” in this letter, while the Group’s long-term outlook remains generally optimistic, it faces uncertainties such as the ongoing effects of the economic downturns and the US-China trade tensions. Retaining Platinum Peony as a shareholder through the Rollover Arrangement offers multiple benefits, such as enhancing the Group’s competitiveness in the market and supporting the Group’s long-term sustainable development and growth. This continued partnership not only solidifies the Group’s financial foundation but also positions it as an attractive opportunity for other international investors. The presence of a prestigious shareholder like Platinum Peony can boost investor confidence, potentially drawing additional overseas investment to support the Group’s future growth. Moreover, this arrangement equips the Group to better navigate the uncertain business environment, ensuring resilience and adaptability in the face of global challenges.

As set out in the Letter from the Board, in connection with the Rollover Arrangement, it is contemplated that the Offeror and Platinum Peony will enter into the Capital Increase Agreement within two months after the Conditions have been satisfied. In consideration for the cancellation of the H Shares held by Platinum Peony, Platinum Peony will be issued with RMB1.858440 registered capital of the Offeror for each H Share, which is equivalent to the

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Cancellation Price in RMB based on the Exchange Rate for each H Share. It is also contemplated that Falcon Holding and Platinum Peony will enter into the Shareholders Agreement on or around the same time as the signing of the Capital Increase Agreement.

On the other hand, as detailed in the section “5. Analysis of the Cancellation Price” of this letter, the Merger presents Independent H Shareholders with a valuable opportunity to liquidate their investments in the Company for cash at a premium, should they choose to do so, while we have concluded that the Cancellation Price is fair and reasonable. Consequently, we view the option of remaining a shareholder in the Company after Merger, if offered to the Independent H Shareholders, as a less favorable choice. This is due to the diminished regulatory protections and increased risks associated with investing in a private company, where oversight and safeguards typically provided by the Stock Exchange for listed entities are absent. Following the Merger, the Offeror (being the successor of the Company) will become a private company and no longer be subject to the same corporate governance and minority shareholder protection requirements of the Listing Rules. In contrast to Platinum Peony, which benefits from its prominent role, long-term strategic outlook, and access to sophisticated resources, enabling it to effectively assess risks and make informed decisions about retaining its equity in an unlisted company, Independent H Shareholders, as minority stakeholders, face significant risks by continuing to hold equity in the Company following the Merger. Resulting from restricted access to comprehensive information and lack of specialised expertise, making Independent H Shareholders more vulnerable to uncertainties such as reduced transparency, potential dilution of their stake, and limited influence over corporate decisions in the absence of public company protections.

Furthermore, the transition to a private entity would eliminate the public trading market for the Offeror’s shares, severely limiting Independent H Shareholders’ ability to sell their holdings. This lack of liquidity could trap their capital, making it challenging to divest their investments without significant delays or losses, particularly in an unlisted environment where finding buyers is often difficult and transaction costs may be higher. These factors collectively underscore the potential drawbacks and increased risk profile for individual shareholders who retain their stake in the Company following the Merger.

Independent H Shareholders’ attention is drawn to the fact that the Merger Agreement shall become effective subject to, among other things, (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable so far as the Independent H Shareholders are concerned; (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding and Platinum Peony) at the EGM to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive in respect of the Rollover Arrangement. In other words, Independent H Shareholders who wish to receive the Cancellation Price in relation to the Merger should vote in favour of the resolutions at the EGM and, if applicable, the H Share Class Meeting (as the case may be) to approve the Merger and the Rollover Arrangement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Having considered the abovementioned principal factors and reasons, in particular the followings:

- (i) the Group's performance depends on domestic demand in the PRC and the level of international trade conflicts, which are constantly evolving. While the Group's outlook is generally positive, it faces an uncertain and challenging market and business environment in the foreseeable future;
- (ii) the fact that the Cancellation Price exceeds the closing price of the H Shares on all trading days during the Review Period;
- (iii) the implied P/E and P/B ratios by the Cancellation Price exceeded both the mean and median ratios of the Comparable Companies, indicating that the Cancellation Price is relatively more attractive when compared to the Comparable Companies as at the Last Trading Date;
- (iv) the premia represented by the Cancellation Price are generally in line with those of the Privatisation Precedents notwithstanding such premia were lower than the mean and the median of the Privatisation Precedents for certain periods;
- (v) the H Shares have consistently traded at a discount to the NAV per H Share for the previous three years and up to the Last Trading Date;
- (vi) the consistently low trading liquidity of the H Shares throughout the Review Period, with the Merger offering Independent H Shareholders a guaranteed exit opportunity; and
- (vii) as addressed in the section "6.1 Assessment on the Rollover Arrangement" above, we do not consider, after considering the above factors and from the perspective of the Independent H Shareholders' interests, that the Rollover Arrangement extends any preferential terms to Platinum Peony,

we are of the opinion that the terms of the Merger and the Rollover Arrangement are fair and reasonable from the perspective of the Independent H Shareholders. Therefore, we advise the Independent Board Committee to recommend that the Independent H Shareholders vote in favor of the Merger at both the EGM and the H Share Class Meeting and the Rollover Arrangement at the EGM.

Independent H Shareholders are reminded to monitor the trading price and liquidity of the H Shares during the Offer Period and, having regard to their own circumstances, consider selling their H Shares in the open market, if the net proceeds from such sales exceed the net amount receivable under the Merger.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As different Independent H Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Independent H Shareholders who may require advice in relation to any aspect of this Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.

Yours faithfully,

For and on behalf of

Octal Capital Limited

Alan Fung

Louis Chan

Managing Director

Director

Note:

Mr. Alan Fung has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2003. Mr. Fung has more than 30 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of mergers and acquisitions, connected transactions and transactions subject to the compliance to the Takeovers Code of listed companies in Hong Kong.

Mr. Louis Chan has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2008. Mr. Chan has more than 20 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of mergers and acquisitions, connected transactions and transactions subject to the compliance to the Takeovers Code of listed companies in Hong Kong.

** For identification purposes only*

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of the financial results of the Group for each of the three years ended 31 December 2022, 2023 and 2024 as extracted from the annual reports for the years ended 31 December 2022, 2023 and 2024, respectively, prepared in accordance with China Accounting Standards for Business Enterprises.

	For the year ended 31 December 2024 <i>RMB'000</i> <i>(Audited)</i>	For the year ended 31 December 2023 <i>RMB'000</i> <i>(Audited)</i>	For the year ended 31 December 2022 <i>RMB'000</i> <i>(Audited)</i>
Total operating revenue	<u>5,504,651</u>	<u>5,134,413</u>	<u>5,085,790</u>
Total profits (loss)	258,216	163,945	(768,257)
Income tax expenses	<u>(22,651)</u>	<u>3,626</u>	<u>736</u>
Net profit (loss)	<u>280,867</u>	<u>160,319</u>	<u>(768,993)</u>
Adjusted net profit ^(Note 1)	<u>198,048</u>	<u>160,319</u>	<u>39,242</u>
Net profit (loss) attributable to:			
Shareholders of the Company	280,867	160,319	(768,993)
Minority interests	—	—	—
Total comprehensive income (loss) attributable to:			
Shareholders of the Company	280,663	160,270	(769,413)
Minority interests	—	—	—
Earnings per share			
Basic earnings per share (RMB per Share)	0.18	0.11	(0.55)
Diluted earnings per share (RMB per Share)	0.18	0.11	(0.55)
Dividends	—	—	—
Dividends per share (RMB)	—	—	—

Note:

1. For the financial year ended 31 December 2022, the adjusted net profit represents the net profit after deducting monetary fund receivables bad debt loss arising from the recognition of an one-off and non-recurring impairment loss on the deposits due from GMK Finance Co., Ltd. and such figure has been restated in the financial year ended 31 December 2023. For the financial year ended 31 December 2024, the adjusted net profit represents the net profit after deducting the reversal of monetary fund receivables bad debt and the corresponding tax and interests arising from the liquidation of GMK Finance Co., Ltd.. No adjustments were made to the net profit recorded for the financial year ended 31 December 2023.

There are no other items of income or expense which are material for each of the three years ended 31 December 2022, 2023 and 2024.

The consolidated financial statements of the Group for the years ended 31 December 2022, 2023 and 2024 were audited by BDO China SHU LUN PAN Certified Public Accountants LLP. Save as those disclosed in the audited consolidated financial statements of the Group for the year ended 31 December 2022 (the “**2022 Financial Statements**”) and the audited consolidated financial statements of the Group for the year ended 31 December 2023 (the “**2023 Financial Statements**”), no modified opinion, emphasis of matter or material uncertainty related to going concern was given by the auditors of the Group in respect of the Group’s audited consolidated financial statements for the financial years ended 31 December 2022, 2023 and 2024.

Relevant extracts of the independent auditor’s reports for each of the years ended 31 December 2022 and 2023 are reproduced as follows:

For the year ended 31 December 2022

“I. *Qualified Opinion*

We have audited the financial statements of the Shandong Fengxiang Co., Ltd. (“**Fengxiang**”), which comprise the consolidated and the Company’s balance sheets as at 31 December 2022, the consolidated and the Company’s income statements for 2022, the consolidated and the Company’s cash flow statements, the consolidated and the Company’s statements of changes in owners’ equity for the year then ended, and notes to the financial statements.

We are of the view that, except for the possible impact of matters described in the section “BASIS OF QUALIFIED OPINION”, the accompanying financial statements present fairly, in all material respects, the consolidated and the Company’s financial position as at 31 December 2022 and the consolidated and the Company’s financial performance and cash flows for 2022 in accordance with the requirements of Accounting Standards for Business Enterprises.

II. *Basis of Qualified Opinion*

As of 31 December 2021, the bank deposit balance in the consolidated balance sheet of Fengxiang includes RMB 1,041,438,100 deposited with GMK Finance Co., Ltd. (“**GMK Finance**”), which is controlled by GMK Holdings Group Co., Ltd. (“**GMK Holdings**”), a former controlling shareholder of Fengxiang. GMK Holdings and its subsidiaries have overdue debts, and GMK Finance is involved in overdue repayment disputes and lawsuits. The management of Fengxiang did not provide sufficient supporting evidence on the possible impact of these matters on the above-mentioned deposits and the reasons for not making impairment provisions. We therefore express a qualified opinion on the financial statements of Fengxiang for 2021. As of 31 December 2022, a full provision of loss of RMB808,234,800 has made for the funds deposited with GMK Finance by Fengxiang amounting to RMB808,234,800 and fully included in the credit impairment loss for 2022. The management of Fengxiang did not provide sufficient information on whether it is necessary to make impairment provisions for the funds deposited in GMK Finance at the end of 2021. Therefore, we are unable to obtain sufficient and appropriate audit evidence regarding the opening balance of the deposit and whether the credit impairment loss of RMB808,234,800 should all be included in 2022. It is uncertain whether it is necessary to make adjustments to the financial statements of Fengxiang.

We conducted our audit in accordance with China Standards on Auditing (“**CSAs**”). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of Fengxiang in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants (“**CICPA Code**”), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.”

For the year ended 31 December 2023

“I. *Qualified Opinion in 2023*

The Auditor has expressed a qualified opinion in the independent auditors’ report relating to the audit of the consolidated financial statements of the Group for the year ended 31 December 2023. The Board of Directors would like to provide the following additional information:

In July 2023, the Company was informed that a company submitted to the National Administration of Financial Regulation (國家金融監督管理總局) (“**NAFR**”) an application of the bankruptcy liquidation of GMK Finance and the NAFR has principally approved the commencement of bankruptcy proceedings of GMK Finance. The deposits with GMK Finance have been unavailable for withdrawal and utilisation by the Group for daily operation since November 2022. In addition, there was an overdue payment for deposit interests from GMK Finance to the Group.

II. *Basis of Qualified Opinion*

As the Group was not able to estimate the recoverable amounts of deposits in GMK Finance for the years ended 31 December 2021 and 31 December 2022, the Auditor has not been provided with sufficient and appropriate audit evidence regarding the possible impact of the abovementioned matter, and they were unable to make a judgment as to whether adjustments to the related disclosures in the consolidated financial statements are necessary. The Auditor's audit opinion on the consolidated financial statements for the year ended 31 December 2022 was qualified accordingly. As affected by the above situation, such matter might impact the comparability of current and corresponding figures from the Company's income statement in 2023."

There are no other interim statement or preliminary announcement made by the Company since the last published audited accounts of the Company (namely, its annual report for the year ended 31 December 2024).

2. **AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR THE YEARS ENDED 31 DECEMBER 2022, 2023 AND 2024**

The Company is required to set out or refer to in this Composite Document the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flow, the consolidated statement of changes in equity and any other primary statement as shown in (1) the 2022 Financial Statements; (2) the 2023 Financial Statements; and (3) the audited consolidated financial statements of the Group for the year ended 31 December 2024 (the "**2024 Financial Statements**"), together with the notes (as and when applicable) to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2022 Financial Statements (including the notes thereto) are set out from pages 128 to 323 in the annual report of the Company for the year ended 31 December 2022 (the "**2022 Annual Report**") which was published on 26 April 2023 on the websites of the Company (<https://www.fengxiang.com/uploads/files/20230426/1682521692102.pdf>) and the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0426/2023042603253.pdf>).

The 2023 Financial Statements (including the notes thereto) are set out from pages 123 to 323 in the annual report of the Company for the year ended 31 December 2023 (the "**2023 Annual Report**") which was published on 18 April 2024 on the websites of the Company (<https://www.fengxiang.com/uploads/files/20240418/1713450001743.pdf>) and the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0418/2024041802026.pdf>).

The 2024 Financial Statements (including the notes thereto) are set out from pages 116 to 311 in the annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**") which was published on 24 April 2025 on the websites of the Company (<https://www.fengxiang.com/uploads/files/20250424/1745506009774.pdf>) and the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0424/2025042403202.pdf>).

The 2022 Financial Statements, the 2023 Financial Statements and the 2024 Financial Statements are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS STATEMENT

As at 30 April 2025, the Group had bank borrowings of RMB1,051,190,811.79, which were secured by the Company's accounts receivable, inventory, machinery and equipment, buildings, and land use rights.

The Group also had bank borrowings of RMB360,000,000.00, which were formed through the discounting of internally issued bank notes. These borrowings are unsecured and guaranteed by the bank deposits of the Company.

The Group also had bank borrowings of RMB20,023,054.80, which are unsecured, unpledged, and not subject to external guarantees.

The Group measures the principal amount of long-term payables based on the present value of the remaining lease payments under sale and leaseback arrangements, and employs the internal rate of return embedded in the sale and leaseback lease as the discount rate. The difference between the present value of lease payments and the remaining lease payments under sale and leaseback arrangements is recognised as unacknowledged financing interest. As at 30 April 2025, the principal amount of long-term payables of the Group was RMB31,124,320.30, with unrecognised financing interest for long-term payables of RMB2,745,679.70.

The Group measures the lease liabilities based on the present value of the remaining lease payments and discounts it using the Group's incremental borrowing rate. As at 30 April 2025, the total lease liabilities of the Group amounted to RMB218,035,401.07.

Save as disclosed above, and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, as at 30 April 2025, the Group did not have other outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, mortgages, charges, securities, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

4. MATERIAL CHANGE

The Directors confirm that, as at the Latest Practicable Date, there was no material change in the financial position or trading position or outlook of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

5. UNAUDITED ADJUSTED NAV

The table below shows the calculations of the Company's unaudited Adjusted NAV per Share as at 31 December 2024 taking into account the valuation of the property interests of the Group as at 30 April 2025.

Calculation of the unaudited Adjusted NAV per Share *RMB*

Audited NAV of the Company attributable to the Shareholders as at 31 December 2024	3,306,439,504.69
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Add

Revaluation surplus of the land and buildings of the Group arising from the valuation of the property interests of the Group as at 30 April 2025 (<i>Note 1</i>)	156,119,149.37
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Unaudited Adjusted NAV	3,462,558,654.06
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Unaudited Adjusted NAV per Share (*Note 2*):

In RMB	2.19
In HK\$ (<i>Note 3</i>)	2.36

Cancellation Price

In RMB (<i>Note 4</i>)	1.858440
In HK\$	2.0

Discount of the Cancellation Price to the unaudited Adjusted NAV per Share	(15.25%)
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Notes:

1. This represents a revaluation surplus calculated based on the appraised value of the property interests attributable to the Company as at 30 April 2025 as disclosed in the property valuation report, net of the carrying amount of such property interests attributable to the Company as at 30 April 2025.
2. This is calculated based on 1,583,348,000 Shares in issue as at the Latest Practicable Date.
3. This is calculated based on an exchange rate of HK\$1:RMB0.92604, being the median exchange rate on 31 December 2024 as announced by the People's Bank of China.
4. This is calculated based on an exchange rate of HK\$1:RMB0.92922, being the median exchange rate on 11 April 2025 (i.e., the date of the Joint Announcement) as announced by the People's Bank of China.



Hong Kong Appraisal Advisory Limited

Unit 1403, 14/F,
OfficePlus@Wanchai,
303 Hennessy Road,
Wanchai,
Hong Kong

5 July 2025

The Directors

Shandong Fengxiang Co., Ltd.

31/F, Tower Two, Times Square,
1 Matheson Street,
Causeway Bay,
Hong Kong

Dear Sir/Madams,

Re: Valuation of properties located in the People's Republic of China

In accordance with the instructions of Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司, “the Company”), we have conducted valuation of the properties set out in the summary of valuations (“the Properties”) held by the Company and its subsidiaries (collectively “the Group Companies”), as at 30 April 2025 (“the Valuation Date”). We confirm that we have carried out inspections of the Properties, made relevant enquiries and obtained such further information as we consider necessary for providing you with our opinion of the market values of the Properties as at 30 April 2025 for the purpose of the proposed pre-conditional privatisation of the Company.

This letter which forms part of our valuation report explains the basis and methodology of valuation, clarifying assumptions, source of Information and limiting conditions of this valuation.

BASIS OF VALUATION

Our valuation of each of the Properties represents its market value which in accordance with The HKIS Valuation Standards 2024 Edition published by the Hong Kong Institute of Surveyors and is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

VALUATION STANDARDS AND ASSUMPTIONS

In valuing the Properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities published by The Stock Exchange of the Hong Kong Limited, the HKIS Valuation Standards 2024 Edition published by the Hong

Kong Institute of Surveyors, the International Valuation Standards published in January 2025 by The International Valuation Standards Council, as well as the Code on Takeovers and Mergers published by the Securities and Futures Commission (the “**Takeovers Code**”).

Our valuation of each Property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

In the course of our valuation of the Properties, we have relied on the information and advice given by the Company’s legal advisers, regarding the titles to the Properties and the interests of the Group Companies’ Properties in the People’s Republic of China (the “**PRC**”). Unless otherwise stated in the PRC legal opinion issued by Fangda Partners (the “**PRC Counsel**”) with respect to the Properties (the “**PRC Legal Opinion**”), the relevant Group Company has an enforceable title to each of the relevant Properties and has free and uninterrupted rights to use, occupy or assign such Property for the whole of the respective unexpired land use term as granted, according to the relevant real estate title certificates.

In respect of the Properties situated in the PRC, the status of titles and grant of major certificates, approvals and licenses, in accordance with the information provided by the Company are set out in the notes of the respective valuation certificate.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the Properties nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, the Properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

VALUATION METHODOLOGY

The Properties comprises of completed properties held by the Company for sale in the PRC. As at the Valuation Date, State-owned Land Use Right Certificates in respect of the Properties have been obtained. In valuing the land portion of the Properties, we have used the Direct Comparison Approach assuming sale of each of these Properties in its existing state by making reference to comparable sales transactions as available in the relevant market subject to suitable adjustments between the subject properties and the comparable properties. In valuing the building and structures, due to the specific purposes for which the buildings and structures of the Properties have been constructed, there are no readily identifiable market comparables. Thus the buildings and structures cannot be valued on the basis of Direct Comparison Approach. They have therefore been valued on the basis of their Depreciated Replacement Costs. We would define “Depreciated Replacement Cost” for this purpose to be our opinion of the value in its existing use and an estimate of the new replacement costs of the buildings and structures, including miscellaneous charges, from which deductions are then made to allow for age, condition and functional obsolescence.

In undertaking our valuations for the Properties, we have mainly made reference to sales or lettings within the subject properties as well as other relevant comparable sales or rental evidences of properties of similar use type subject to appropriate adjustments including but not limited to location, accessibility, age, quality, maintenance standards, size, time, configuration and other relevant factors.

The property-related potential tax liability which might arise on disposal of the property interests (as property transfer) in the PRC includes value-added tax (at 5% or 9% on the transaction amount), land appreciation tax (at progressive rates from 30% to 60% on the appreciation amount) and corporate income tax (at 15% in case of preferential enterprise income tax rate or 25% of the gain). As confirmed by the Company, the Properties are held for owner occupation. Therefore, the likelihood of such tax liability being crystallised to the Company is slim and thus such tax liability is excluded from our valuation.

SOURCE OF INFORMATION

We have been provided by the Company with extracts of documents in relation to the titles to the Properties in the PRC. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us.

In the course of our valuation of the Properties, we have relied on the information and advice given by the Company and the Company's legal advisers, regarding the title to the Properties and the interests of the Company's Properties in the PRC.

In respect of all Properties, we have accepted advice given by the Company on such matters as planning approvals or statutory notices, easements, tenure, identification of land and buildings, completion date of buildings, construction costs, site and floor areas, interest attributable to the Company and all other relevant matters.

Dimensions, measurements and areas included in the valuation certificates are based on the information provided to us and are therefore only approximations. We have no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuations. We were also advised by the Company that no material facts have been omitted from the information provided.

PRC LEGAL OPINION

The Company's legal advisers, Fangda Partners, have acted as the legal advisers to the Company as to the PRC Laws (defined below) in connection with the valuation of the Properties owned by the Company and its following subsidiaries: Shandong Fengxiang Industrial Co., Ltd. (山東鳳祥實業有限公司, "**Fengxiang Industrial**"), Shandong Fengxiang Food Development Co., Ltd. (山東鳳祥食品發展有限公司, "**Fengxiang Food Development**"), Shandong Youxing Food Technology Co., Ltd. (山東優形食品科技有限公司, "**Youxing Food Technology**"), and Yucheng Fengming Food Co., Ltd. (禹城鳳鳴食品有限公司, "**Yucheng Fengming**") as stated in the notes of valuation certificates in this valuation report. The "**PRC Laws**" refer to the laws and regulations

of the PRC effective and available to the public as of the date hereof. There is no assurance that any of such PRC Laws will not be changed, amended or replaced in the immediate future or in the longer term with or without retrospective effect.

TITLE INVESTIGATION

We have been provided with extracts of documents relating to the titles of the Properties in the PRC, but no searches have been made in respect of the Properties. We are unable to ascertain the title of the Properties in the PRC and we have therefore relied on the advice given by the Company and the Company's legal advisers regarding the interests of the Company's Properties in the PRC.

SITE INSPECTION

A team of our colleagues, Dr. Jacqueline Huang, Mr. Simon Liu, Mr. Feng Shitu, Mr. Li Qitao and Mr. Xia Weibin has inspected the Properties. We inspected the exterior and, wherever possible, the interior of the Properties on 8 June 2025. However, we have not carried out any investigations on site to determine the suitability of the soil conditions and the services etc. for any future development. Our valuations are prepared on the assumption that these aspects are satisfactory and that no extraordinary costs or delays will be incurred according to the Company's plan during the construction period. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are, however, not able to report that the Properties are free of rot, infestation or any other structural defects. No tests were carried out to any of the services. Unless otherwise stated, we have not been able to carry out on-site measurements to verify the site and floor areas of the Properties and we have assumed that the floor areas shown in the PRC Legal Opinion and on the documents handed to us are correct.

LIMITED CONDITIONS

We have relied to a considerable extent on information provided by the Company and have accepted advice given to us on such matters, in particular, but not limited to, the tenure, statutory notices, easements, and particulars of occupancy, floor areas and all other relevant matters in the identification of the Properties.

We have had no reason to doubt the truth, completeness and accuracy of the information provided to us. We have also been advised by the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on any property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, the Properties are free from encumbrances, restrictions and outgoing of an onerous nature which could affect their values.

Liability in connection with this valuation report is limited to the client to whom this report is addressed and for the purpose for which it is carried out only. We will accept no liability to any other parties or any other purposes.

CURRENCY

Unless otherwise stated, all sums stated in our valuations are in Renminbi (“**RMB**”), the official currency of the PRC.

We enclose herewith a summary of valuations and valuation certificates for your attention.

CONFIRMATION OF INDEPENDENCE

We hereby confirm that Hong Kong Appraisal Advisory Limited and the undersigned have no pecuniary or other interests that would conflict with the proper valuations of the Properties, or could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion. We confirm that we are an independent qualified valuer as referred to Rule 5.08 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; and Note to Rule 11 of the Takeovers Code.

Yours sincerely

For and on behalf of

Hong Kong Appraisal Advisory Limited

Dr. Jacqueline Huang

ASA, MRICS

Managing Director

Simon C.H. Liu

MBA, MRICS, MHKIS, RPS(GP), CIREA

Associate Director

Registered Professional Surveyor

Dr. Jacqueline Huang is one of the most experienced valuation experts in Hong Kong. She is an Accredited Senior Appraiser of American Society of Appraisers (ASA), a Chartered Member of the Royal Institution of Chartered Surveyors (RICS), and a Ph.D. from the University of Hong Kong. She has been conducting valuation for various purposes since 2005 and has extensive experience in public transaction services.

Mr. Liu is a Member of The Royal Institution of Chartered Surveyors in United Kingdom and a Member of The Hong Kong Institute of Surveyors in Hong Kong SAR with 40 years of post-qualification experience in valuation of properties in Hong Kong SAR, the People's Republic of China and the Asia Pacific Region. He is also on the Hong Kong Stock Exchange panel list of approved valuers for undertaking valuations for incorporation of reference in listing particulars and circulars and valuations in connection with takeovers and mergers.

SUMMARY OF VALUATIONS

No.	Property	Market Value in existing state as at 30 April 2025 (RMB)
Shandong Fengxiang Co., Ltd.		
1.	A plot of land, and buildings erected, used for electrical substation located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	1,751,000
2.	A plot of land, and buildings erected, used for office building and living area located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	27,193,000
3.	A plot of land, and buildings erected, used for the second feed factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	28,916,000
4.	A plot of land, and buildings erected, used for tractor station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	1,223,000
5.	A plot of land, and buildings erected, used for the first feed factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	3,011,000
6.	A plot of land, and buildings erected, used for the first hatchery (west) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	4,460,000
7.	A plot of land, and buildings erected, used for the first hatchery (east) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	2,803,000
8.	A plot of land, and buildings erected, used for the third hatchery located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	18,342,000

No.	Property	Market Value in existing state as at 30 April 2025 (RMB)
9.	A plot of land, and buildings erected, used for the fourth feed factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	54,169,000
10.	A plot of land, and buildings erected, used for tractor and petroleum station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	805,000
11.	A plot of land, and buildings erected, located opposite to tractor and petroleum station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	1,111,000
Shandong Fengxiang Industrial Co., Ltd.		
12.	A plot of land, and buildings erected, used for the first and second cold storage plants located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	34,428,000
13.	A plot of land, and buildings erected, used for the third cold storage plant located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	35,195,000
14.	A plot of land, and buildings erected, used for the fourth cold storage plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	326,522,000
15.	A plot of land, and buildings erected, used for wastewater treatment plant located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	7,805,000
16.	A plot of land, and buildings erected, used for packaging plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	13,567,000

No.	Property	Market Value in existing state as at 30 April 2025 (RMB)
Shandong Fengxiang Food Development Co., Ltd.		
17.	A plot of land, and buildings erected, used for the first cooked food factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	45,487,000
18.	A plot of land, and buildings erected, used for the second cooked food plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	85,946,000
19.	A plot of land, and buildings erected, used for the third cooked food plant located in Xiangguang Ecological Industrial Park, Yanggu County, Liaocheng, Shandong, the PRC	25,267,000
20.	Plots of land, and buildings erected, used for the fourth cooked food factory with ancillary facilities located in Yanggu County, Liaocheng, Shandong, the PRC	184,228,000
21.	A plot of land, and buildings erected, used for R&D center located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	13,409,000
Yucheng Fengming Food Co., Ltd.		
22.	A plot of land, and buildings erected, used for food processing plant located in Yucheng, Shandong, the PRC	14,431,000
Shandong Youxing Food Technology Co., Ltd.		
23.	Land parcel (vacant) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	3,797,000 (RMB3,038,000 attributable to the Company)
24.	Land parcel (vacant) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	16,928,000 (RMB13,542,000 attributable to the Company)
Total		950,794,000 (RMB946,649,000 attributable to the Company)

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
1. A plot of land, and buildings erected, used for electrical substation located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Liu Miao Village, Anle Town, Yanggu County. It is bordered by Shouguo Road to the east, the passenger station and the land of Liumiao Village to the south, the land of Liumiao Village to the west, and Fengxiang Road to the north.</p> <p>As per Land Use Rights Certificate, the site area is 1,824.5 sq.m.</p> <p>The Property consists of an electrical substation, with a floor area of 220.24 sq.m.</p> <p>Land use term for 50 years from 20 August 1997 to 19 August 2047.</p>	Property is used for electrical substation	RMB1,751,000

Notes:

- (1) Pursuant to Land Use Right Certificate — Yang Guo Yong (2014) No. 199 (陽國用(2014)第199號) dated 7 November 2014, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 1,824.5 sq.m. for industrial use, expiring on 19 August 2047.
- (2) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024447 (陽房權證陽谷縣字第0024447號) issued by the Real Estate Administration Bureau of Yanggu County dated 3 July 2014, the land use rights and the building ownership rights of the property with a total gross floor area of 220.24 sq.m. were granted to the Company.
- (3) The major certificate and permit of the Property is summarised as follows:

(i) Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes
- (4) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) (a) A plot of land with an area of 1,824.5 square meters located at Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村) (the “**Fengxiang Land A**”) and (b) buildings with a total gross floor area of 220.24 square meters located at 01 and 02, No.588, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團588號01、02) for industrial use (the “**Fengxiang Owned Buildings A**”).

- (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 199 (陽國用(2014)第199號) issued by the People's Government of Yanggu County on 7 November 2014, the Company has the granted land use right to the Fengxiang Land A for industrial use for a term expiring on 19 August 2047 (the “**Fengxiang Land Use Right A**”).

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Land Use Right A at the Natural Resources and Planning Bureau of Yanggu County (陽谷縣自然資源和規劃局) (“**Yanggu Resources and Planning Bureau**”) conducted on 1 July 2025 (the copy of which has been received and reviewed by us), no mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Land Use Right A. The Company is entitled to transfer, mortgage or lease the Fengxiang Land Use Right A (together with the buildings legally owned by and duly registered under the name of the Company on the Fengxiang Land A), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024447 (陽房權證陽谷縣字第0024447號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 3 July 2014, the Company is the legal owner of the Fengxiang Owned Buildings A.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Buildings A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), no mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Buildings A. The Company is entitled to transfer, mortgage or lease the Fengxiang Owned Buildings A (together with the underlying land use right legally owned by the Company), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
2. A plot of land, and buildings erected, used for office building and living area located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Liu Miao Village, Anle Town, Yanggu County. It is bordered by Limin Road to the north, Chengxin Road to the south, Fengxiang Group to the west and Zhenxing Road to the east.</p> <p>As per Land Use Right Certificate, the site area is 17,954 sq.m.</p> <p>The Property consists of office building, with a floor area of 22,559.07 sq.m.</p> <p>Land use term is 40 years from 18 March 2007 to 17 March 2047.</p>	Property is used for office and living area.	RMB27,193,000

Notes:

- (1) Pursuant to the Land Use Right Certificate — Yang Guo Yong (2014) No. 207 (陽國用(2014)第207號) dated 7 November 2014, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 17,954 sq.m. for office and residential use, expiring on 17 March 2047.
- (2) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024450 (陽房權證陽谷縣字第0024450號) issued by the Real Estate Administration Bureau of Yanggu County dated 4 July 2014, ownership of the buildings is held under the name of the Company. The site has an area of 22,559.07 sq.m. for industrial use.
- (3) The major certificate and permit of the Property is summarised as follows:
 - (i) Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
- (4) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) (a) A plot of land with an area of 17,954 square meters located at Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村) (the “**Fengxiang Land B**”) and (b) buildings with a total gross floor area of 22,559.07 square meters located at No. 01, 582, Fengxiang — Ai Di Xi Company, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥—愛迪西公司582號01號) for industrial use (the “**Fengxiang Owned Buildings B**”).
 - (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 207 (陽國用(2014)第207號) issued by the People’s Government of Yanggu County on 7 November 2014, the Company has the granted land use right to the Fengxiang Land B for office and residential uses for a term expiring on 17 March 2047 (the “**Fengxiang Land Use Right B**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Land Use Right B is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the debts in a maximum amount of RMB240,000,000 incurred during the period commencing from 2 November 2023 and ending on 2 November 2026, which is part of a syndicated loan of RMB960,000,000 (the “**Syndicated Loan**”) (the “**Debt 1**”).

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Land Use Right B is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the debts in a maximum amount of RMB240,000,000, incurred during the period commencing from 20 January 2025 and ending on 20 January 2028 (the “**Debt 2**”).

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Land Use Right B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Land Use Right B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Land Use Right B (together with the buildings legally owned by and duly registered under the name of the Company on the Fengxiang Land B), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024450 (陽房權證陽谷縣字第0024450號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 4 July 2014, the Company is the legal owner of the Fengxiang Owned Buildings B.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Owned Buildings B is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Buildings B is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Buildings B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Buildings B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Buildings B (together with the underlying land use right legally owned by the Company), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
3. A plot of land, and buildings erected, used for the second feed factory located in Liiumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Liu Miao Village, Anle Town, Yanggu County. It is bordered by Chengxin Road to the north, Fengxiang Group to the south, Fengxiang Group to the west and Zhenxing Road to the east.</p> <p>As per Land Use Right Certificate, the site area is 63,543 sq.m. in total.</p> <p>The Property consists of buildings with a floor area of 6,295.27 sq.m, a floor area of 11,385.53 sq.m and a floor area of 2,888.37 sq.m.</p> <p>Land use term for the land plot expires on 30 December 2059.</p>	Property is used for plant building and facilities	RMB28,916,000

Notes:

- (1) Pursuant to the Land Use Right Certificate — Yang Guo Yong (2014) No. 204 (陽國用(2014)第204號) dated 7 November 2014, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 40,053 sq.m. for industrial use, expiring on 26 December 2045.
- (2) Pursuant to the Real Estate Title Certificate — Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0004403 (魯(2018)陽谷縣不動產權第0004403號) dated 7 June 2018. The ownership of the land is held under the name of the Company. The site has a site area of 23,490 sq.m. and gross floor area of approximately 6,295.27 sq.m. for industrial use, expiring on 30 December 2059. According to the Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0004403 (魯(2018)陽谷縣不動產權第0004403號), the other details of the Property are presented as follows:
- | | |
|------------------------|----------------|
| Gross floor area | 6,295.27 sq.m. |
| Building structure | Mixed concrete |
| Total number of floors | 2 |
| Floor Number | Floor 1 to 2 |
- (3) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024444 (陽房權證陽谷縣字第0024444號) issued by the Real Estate Administration Bureau of Yanggu County dated 3 July 2014, the land use rights and the building ownership rights of the property with a total gross floor area of approximately 11,385.53 sq.m. were granted to the Company for industrial use.

- (4) Pursuant to the Real Estate Title Certificate — Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0004274 (魯(2018)陽谷縣不動產權第0004274號) issued by the Land Resources Bureau of Yanggu County dated 4 June 2018, the land use rights and the building ownership rights of the property with a total gross floor area of approximately 2,888.37 sq.m. were granted to the Company expiring on 26 December 2045 for industrial use. According to the 魯(2018)陽谷縣不動產權第0004274號, the other details of the property are presented as follows:

The shared land parcel area	40,053 sq.m.
Gross Floor Area	2,888.37 sq.m.
Building structure	Mixed Concerte
Total number of floors	3
Floor Number	Floor 1–3

- (5) The major certificate and permit of the Property is summarised as follows:

(i) Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes
(iii) Real Estate Title Certificate	Yes

- (6) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) (a) A plot of land with an area of 40,053 square meters located at Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村) (the “**Fengxiang Land C**”) and (b) buildings with a total gross floor area of 11,385.53 square meters located at 101、102, No. 586, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團586號101、102) for industrial use (the “**Fengxiang Owned Buildings C**”).
- (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 204 (陽國用(2014)第204號) issued by the People's Government of Yanggu County on 7 November 2014, the Company has the granted land use right to the Fengxiang Land C for industrial use for a term expiring on 26 December 2045 (the “**Fengxiang Land Use Right C**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Land Use Right C is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Land Use Right C is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Land Use Right C at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Land Use Right C. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease

the Fengxiang Land Use Right C (together with the buildings legally owned by and duly registered under the name of the Company on the Fengxiang Land C), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024444 (陽房權證陽谷縣字第0024444號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 3 July 2014, the Company is the legal owner of the Fengxiang Owned Buildings C.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Owned Buildings C is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Buildings C is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Buildings C at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Buildings C. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Buildings C (together with the underlying land use right legally owned by the Company), provided that statutory procedures under the applicable PRC Laws are followed.

- (iv) Buildings with a total gross floor area of 6,295.27 square meters located at Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村) for industrial use and the underlying granted land use right (the land use right area being 23,490 square meters) for industrial use for a term expiring on 30 December 2059 (collectively, the “**Fengxiang Owned Property 2**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0004403 (魯(2018)陽谷縣不動產權第0004403號) issued by the Land Resources Bureau of Yanggu County on 7 June 2018, the Company is the legal owner of the Fengxiang Owned Property 2.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Owned Property 2 is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 2 is

mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 2 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 2. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 2, provided that statutory procedures under the applicable PRC Laws are followed.

- (v) Buildings with a total gross floor area of 2,888.37 square meters located at No. 600, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團600號) for industrial use and the underlying granted land use right (the total area of the land being 40,053 square meters) for industrial use for a term expiring on 26 December 2045 (collectively, the “**Fengxiang Owned Property 1**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0004274 (魯(2018)陽谷縣不動產權第0004274號) issued by the Land Resources Bureau of Yanggu County on 4 June 2018, the Company is the legal owner of the Fengxiang Owned Property 1.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Owned Property 1 is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 1 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 1 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 1. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 1, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
4. A plot of land, and buildings erected, used for tractor station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Unit 01, 02 and 03, No. 578, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County. It is bordered by the land of Liu Miao Village to the north and west, and Fengxiang Group to the east and south.</p> <p>As per Real Estate Title Certificate, the site area is 5,456.54 sq.m.</p> <p>The Property consists of a tractor station, with a floor area of 273.51 sq.m.</p> <p>Land use term for 50 years from 28 December 1995 to 27 December 2045.</p>	Property is used for tractor station	RMB1,223,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017923 (魯(2022)陽谷縣不動產權第0017923號) dated 20 June 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has a site area of 5,456.54 sq.m. and a total gross floor area of approximately 273.51 sq.m. for industrial use, expiring on 27 December 2045. According to Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017923 (魯(2022)陽谷縣不動產權第0017923號), the other details of the Property are presented as follows:

Total Floor Area 273.51 sq.m., total of 3 units
For Room No.1:

Gross Floor Area 240.10 sq.m.
Building structure Mixed Concrete
Total number of floors 1

For Room No. 2:

Gross Floor Area 16.28 sq.m.
Building structure Mixed Concrete
Total number of floors 1

For Room No. 3:

Gross Floor Area 17.13 sq.m.
Building structure Mixed Concrete
Total number of floors 1

(2) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate Yes

(3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

(i) Buildings with a total gross floor area of 273.51 square meters located at 01, 02 and 03, No. 578, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團578號01、02、03) for industrial use and the underlying granted land use right (the land use right area being 5,456.54 square meters) for industrial use for a term expiring on 27 December 2045 (collectively, the “**Fengxiang Owned Property 3**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017923 (魯(2022)陽谷縣不動產權第0017923號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 June 2022, the Company is the legal owner of the Fengxiang Owned Property 3.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 3 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the debts in a maximum amount of RMB203,000,000 incurred during the period commencing from 6 November 2023 and ending on 6 November 2026, which is also part of the Syndicated Loan (the “**Debt 3**”).

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 3 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 3 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 3. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 3, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
5. A plot of land, and buildings erected, used for the first feed factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 576, Fengxiang Shares, Liumiao Village, Anle Town, Yanggu County. It is bordered by the land of Liupu Village to the north, west and east, and Fengxiang Group to the south.</p> <p>As per Real Estate Title Certificate, the site area is 7,667 sq.m.</p> <p>The Property consists of buildings, with a floor area of 3,244.88 sq.m.</p> <p>Land use term for 50 years from 28 December 1995 to 27 December 2045.</p>	Property is used for feed factory	RMB3,011,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0001693 (魯(2017)陽谷縣不動產權第0001693號) issued by the Land Resources Bureau of Yanggu County dated 12 May 2017, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 7,667 sq.m. for industrial use, expiring on 27 December 2045. The building ownership rights of the property with a total gross floor area of approximately 3,244.88 sq.m. were granted to the Company expiring on 27 December 2045 for office use. According to the Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0001693 (魯(2017)陽谷縣不動產權第0001693號), the other details of the Property are presented as follows:

Gross Floor Area	3,244.88 sq.m.
Building structure	Mixed Concrete
Total number of floors	4
Floor Number	Floor 1–4

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 3,244.88 square meters located at No. 576, Fengxiang Shares, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥股份576號) for office use and the underlying granted land use right (the land use right area being 7,667 square meters) for industrial use for a term expiring on 27 December 2045 (collectively, the “**Fengxiang Owned Property 4**”).

According to the Real Estate Title Certificate with reference number of Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0001693 (魯(2017)陽谷縣不動產權第0001693號) issued by the Land Resources Bureau of Yanggu County on 12 May 2017, the Company is the legal owner of the Fengxiang Owned Property 4.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 4 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 4 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 4 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 4. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 4, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
6. A plot of land, and buildings erected, used for the first hatchery (west) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 590, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County. It is bordered by Fengxiang Road to the north, Liumiao Village to the west, the hatchery to the east and Fengxiang Group to the south.</p> <p>As per Real Estate Title Certificate, the site area is 6,720 sq.m.</p> <p>The Property consists of a building, with floor area of 2,745.95 sq.m.</p> <p>Land use term is 50 years from 28 December 1995 to 27 December 2045.</p>	Property is used for hatchery	RMB4,460,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017922 (魯(2022)陽谷縣不動產權第0017922號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 20 June 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 6,720 sq.m. of for industrial use, expiring on 27 December 2045. The building ownership rights of the property with a total gross floor area of approximately 2,745.95 sq.m. were granted to the Company expiring on 27 December 2045 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017922 (魯(2022)陽谷縣不動產權第0017922號), the other details of the Property are presented as follows:

Gross Floor Area	2,745.95 sq.m.
Building structure	Mixed Concrete
Total number of floors	1
Floor Number	Floor 1

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 2,745.95 square meters located at No. 590, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團590號) for industrial use and the underlying granted land use right (the land use right area being 6,720 square meters) for industrial use for a term expiring on 27 December 2045 (collectively, the “**Fengxiang Owned Property 5**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017922 (魯(2022)陽谷縣不動產權第0017922號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 June 2022, the Company is the legal owner of the Fengxiang Owned Property 5.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 5 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 5 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 5 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 5. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 5, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
7. A plot of land, and buildings erected, used for the first hatchery (east) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Room 101 and 102, No. 584, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County. It is bordered by Fengxiang Road to the north, the hatchery to the west, the land of Liumiao Village to the east and the land of Chentang Village to the south.</p> <p>As per Real Estate Title Certificate, the site area is 5,515 sq.m.</p> <p>The Property consists of buildings, with floor area of 2,968.71 sq.m.</p> <p>Land use term for 50 years from 20 August 1997 to 19 August 2047.</p>	Property is used for hatchery	RMB2,803,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017924 (魯(2022)陽谷縣不動產權第0017924號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 20 June 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 5,515 sq.m. for industrial use, expiring on 19 August 2047. The building ownership rights of the property with a total gross floor area of approximately 2,968.71 sq.m. were granted to the Company expiring on 19 August 2047 for industrial use. According to the Building Ownership Certificate Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017924 (魯(2022)陽谷縣不動產權第0017924號), the other details of the Property are presented as follows:

Total Area: 2,968.71 sq.m., total of 2 units

First building:

Gross Floor Area 84 sq.m.
 Building structure Mixed Concrete
 Total number of floors 1
 Floor Number Floor 1

Second building:

Gross Floor Area 2,884.71 sq.m.
 Building structure Mixed Concrete
 Total number of floors 1
 Floor Number Floor 1

(2) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate Yes

(3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

(i) Buildings with a total gross floor area of 2,968.71 square meters located at 101 and 102, No. 584, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團584號101、102) for industrial use and the underlying granted land use right (the land use right area being 5,515 square meters) for industrial use for a term expiring on 19 August 2047 (collectively, the “**Fengxiang Owned Property 6**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017924 (魯(2022)陽谷縣不動產權第0017924號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 June 2022, the Company is the legal owner of the Fengxiang Owned Property 6.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 6 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 6 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 6 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 6. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 6, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
8. A plot of land, and buildings erected, used for the third hatchery located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 1653, Liumiao Village, Anle Town, Yanggu County. It is bordered by the land of Fengxiang Group and Liumiao Village to the north, Chentang Village to the west, Liumiao Village to the east and Chentang Village to the south.</p> <p>As per Real Estate Title Certificate, the site area is 12,613 sq.m.</p> <p>The Property consists of a building, with floor area of 8,022.44 sq.m.</p> <p>Land use term is 50 years from 15 October 2020 to 14 October 2070.</p>	Property is used for hatchery	RMB18,342,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015394 (魯(2022)陽谷縣不動產權第0015394號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 27 May 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 12,613 sq.m. for industrial use, expiring on 14 October 2070. The building ownership rights of the property with a total gross floor area of approximately 8,022.44 sq.m. were granted to the Company expiring on 14 October 2070 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015394 (魯(2022)陽谷縣不動產權第0015394號), the other details of the Property are presented as follows:

Gross Floor Area	8,022.44 sq.m.
Total number of floors	2
Floor Number	Floor 1–2

- (2) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate	Yes
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- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 8,022.44 square meters located at No. 1653, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村1653號) for industrial use and the underlying granted land use right (the land use right area being 12,613 square meters) for industrial use for a term expiring on 14 October 2070 (collectively, the “**Fengxiang Owned Property 7**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015394 (魯(2022)陽谷縣不動產權第0015394號) issued by the Natural Resources and Planning Bureau of Yanggu County on 27 May 2022, the Company is the legal owner of the Fengxiang Owned Property 7.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Owned Property 7 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure another debts in a maximum amount of RMB240,000,000 incurred during the period commencing from 2 November 2023 and ending on 2 November 2026, which is also part of the Syndicated Loan(the “**Debt 4**”).

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Owned Property 7 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 7 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 7. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 7, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
9. A plot of land, and buildings erected, used for the fourth feed factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located at No. 1659, Liumiao Village, Anle Town, Yanggu County. It is bordered by the Central Line of Fucheng Avenue to the north, the land of Liumiao Village and Zhangyanzhai Village to the west, the land of Liumiao Village, Zhangyanzhai Village and the People's Government of Anle Town to the east, and the land of Zhangyanzhai Village to the south.</p> <p>As per Real Estate Title Certificate, the site area is 48,425 sq.m.</p> <p>The Property consists of a building, with a floor area of 16,134.37 sq.m.</p> <p>Land use term for 50 years from 19 February 2020 to 18 February 2070.</p>	Property is used for feed factory	RMB54,169,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015328 (魯(2022)陽谷縣不動產權第0015328號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 25 May 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 48,425 sq.m. for industrial use, expiring on 18 February 2070. The building ownership rights of the property with a total gross floor area of approximately 16,134.37 sq.m. were granted to the Company expiring on 18 February 2070 for industrial use. According to Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015328 (魯(2022)陽谷縣不動產權第0015328號), the other details of the Property are presented as follows:

The shared land parcel area	48,425 sq.m.
Gross Floor Area	16,134.37 sq.m.
Building structure	Mixed Concrete
Total number of floors	7
Floor Number	Floor 1–7

- (2) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate	Yes
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(3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 16,134.37 square meters located at No. 1659, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村1659號) for industrial use and the underlying granted land use right (the total area of the land being 48,425 square meters) for industrial use for a term expiring on 18 February 2070 (collectively, the “**Fengxiang Owned Property 8**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015328 (魯(2022)陽谷縣不動產權第0015328號) issued by the Natural Resources and Planning Bureau of Yanggu County on 25 May 2022, the Company is the legal owner of the Fengxiang Owned Property 8.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Owned Property 8 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 4.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Owned Property 8 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 8 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 8. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 8, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
10. A plot of land, and buildings erected, used for tractor and petroleum station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 596, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County. It is bordered by Chengxin Road to the north, Chuangye Road to the west, the land of Liumiao Village to the east and Fengxiang Group to the south.</p> <p>As per Real Estate Title Certificate, the site area is 3,025.98 sq.m.</p> <p>The Property consists of a petroleum station, with a floor area of 834.85 sq.m.</p> <p>Land use term for 50 years from 28 December 1995 to 27 December 2045.</p>	Property is used for tractor and petroleum station	RMB805,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017926 (魯(2022)陽谷縣不動產權第0017926號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 20 June 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 3,025.98 sq.m. for industrial use, expiring on 27 December 2045. The building ownership rights of the property with a total gross floor area of approximately 834.85 sq.m. were granted to the Company expiring on 27 December 2045 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017926 (魯(2022)陽谷縣不動產權第0017926號), the other details of the Property are presented as follows:

Gross Floor Area	834.85 sq.m.
Building structure	Mixed Concrete
Total number of floors	1
Floor Number	Floor 1

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 834.85 square meters located at No.596, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團596號) for industrial use and the underlying granted land use right (the land use right area being 3,025.98 square meters) for industrial use for a term expiring on 27 December 2045 (collectively, the “**Fengxiang Owned Property 9**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017926 (魯(2022)陽谷縣不動產權第0017926號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 June 2022, the Company is the legal owner of the Fengxiang Owned Property 9.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 9 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 9 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 9 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 9. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 9, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
11. A plot of land, and buildings erected, located opposite to tractor and petroleum station located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 594, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County. It is bordered by Chengxin Road to the north, Fengxiang Group to the west, Chuangye Road to the east and Fengxiang Group to the south.</p> <p>As per Real Estate Title Certificate, the site area is 4,153.79 sq.m.</p> <p>The Property consists of buildings, with a floor area of 1,567.81 sq.m.</p> <p>Land use term for 50 years from 28 December 1995 to 27 December 2045.</p>	Property is used for staff area	RMB1,111,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017925 (魯(2022)陽谷縣不動產權第0017925號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 20 June 2022, ownership of the land is held under the name of 山東鳳祥股份有限公司 (Shandong Fengxiang Co., Ltd.) (the “**Company**”). The site has an area of 4,153.79 sq.m. for industrial use, expiring on 27 December 2045. The building ownership rights of the property with a total gross floor area of approximately 1,567.81 sq.m. were granted to the Company expiring on 27 December 2045 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017925 (魯(2022)陽谷縣不動產權第0017925號), the other details of the Property are presented as follows:

Gross Floor Area	1,567.81 sq.m.
Building structure	Mixed Concrete
Total number of floors	1
Floor Number	Floor 1

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 1,567.81 square meters located at No. 594, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團594號) for industrial use and the underlying granted land use right (the land use right area being 4,153.79 square meters) for industrial use for a term expiring on 27 December 2045 (collectively, the “**Fengxiang Owned Property 10**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0017925 (魯(2022)陽谷縣不動產權第0017925號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 June 2022, the Company is the legal owner of the Fengxiang Owned Property 10.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Owned Property 10 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Owned Property 10 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Owned Property 10 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Owned Property 10. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, the Company is entitled to transfer, mortgage or lease the Fengxiang Owned Property 10, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
12. A plot of land, and buildings erected, used for the first and second cold storage plants located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Liu Miao Village, Anle Town, Yanggu County. It is bordered by Limin Road to the north, Fengxiang Cold Storage Factory to the west, the land of Liumiao Village to the east and Chengxin Road to the south.</p> <p>As per Land Use Right Certificate, the site area is 35,240 sq.m.</p> <p>The Property consists of a building, with floor area of 14,107.6 sq.m.</p> <p>Land use term for 50 years from 27 December 1995 to 26 December 2045.</p>	Property is used for cold storage plants	RMB34,428,000

Notes:

- (1) Pursuant to the Land Use Right Certificate Yang Guo Yong (2014) No. 200 (陽國用(2014)第200號) issued by the People's Government of Yanggu County dated 7 November 2014, ownership of the land is held under the name of 山東鳳祥實業有限公司 (Shandong Fengxiang Industrial Co., Ltd., "**Fengxiang Industrial**"), being a wholly-owned subsidiary of the Company. The site has an area of 35,240 sq.m. for industrial use, expiring on 26 December 2045.
- (2) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024452 (陽房權證陽谷縣字第0024452號) issued by the Real Estate Administration Bureau of Yanggu County dated 4 July 2014, the land use rights and the building ownership rights of the property with a total gross floor area of approximately 14,107.6 sq.m. were granted to Fengxiang Industrial for industrial use.
- (3) The major certificate and permit of the Property is summarised as follows:
 - (i) Land Use Rights Certificate Yes
 - (ii) Building Ownership Certificate Yes
- (4) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) (a) A plot of land with an area of 35,240 square meters located at Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村) (the "**Fengxiang Industrial Land A**") and (b) buildings with a total gross floor area of 14,107.60 square meters located at No. 580, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團580號) for industrial use (the "**Fengxiang Industrial Owned Buildings A**").
 - (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 200 (陽國用(2014)第200號) issued by the People's Government of Yanggu County on 7 November 2014, Fengxiang Industrial has the granted land use right to the Fengxiang Industrial Land A for industrial use for a term expiring on 26 December 2045 (the "**Fengxiang Industrial Land Use Right A**").

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Industrial Land Use Right A is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Land Use Right A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Land Use Right A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Land Use Right A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Land Use Right A (together with the buildings legally owned by and duly registered under the name of Fengxiang Industrial on the Fengxiang Industrial Land A), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024452 (陽房權證陽谷縣字第0024452號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 4 July 2014, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Buildings A.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Industrial Owned Buildings A is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Owned Buildings A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Buildings A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Buildings A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Buildings A (together with the underlying land use right legally owned by Fengxiang Industrial), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
13. A plot of land, and buildings erected, used for the third cold storage plant located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located at No. 02, 582, Fengxiang-Ai Di Xi Company, Liumiao Village, Anle Town, Yanggu County. It is bordered by Limin Road to the north, Zhenxing Road to the west, Fengxiang Cold Storage Factory to the east and Chengxin Road to the south.</p> <p>As per Land Use Right Certificate, the site area is 34,453 sq.m.</p> <p>The Property consists of a building, with floor area of 15,086.61 sq.m.</p> <p>Land use term for 50 years from 18 March 1997 to 17 March 2047.</p>	Property is used for cold storage plant	RMB35,195,000

Notes:

- (1) Pursuant to the Land Use Right Certificate — Yang Guo Yong (2014) No. 206 (陽國用(2014)第206號) issued by the People's Government of Yanggu County dated 7 November 2014, ownership of the land is held under the name of 山東鳳祥實業有限公司 (Shandong Fengxiang Industrial Co., Ltd., “**Fengxiang Industrial**”), being a wholly-owned subsidiary of the Company. The site has an area of 34,453 sq.m. for industrial use, expiring on 17 March 2047.
- (2) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024451 (陽房權證陽谷縣字第0024451號) issued by the Real Estate Administration Bureau of Yanggu County dated 4 July 2014, the land use rights and the building ownership rights of the property with a total gross floor area of approximately 15,086.61 sq.m. were granted to Fengxiang Industrial for industrial use.
- (3) The major certificate and permit of the Property is summarised as follows:

(i) State-owned Land Use Rights Certificate	Yes
(ii) Building Ownership Certificate	Yes
- (4) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) (a) A plot of land with an area of 34,453 square meters located at Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村) (the “**Fengxiang Industrial Land B**”) and (b) buildings with a total gross floor area of 15,086.61 square meters located at No. 02, 582, Fengxiang — Ai Di Xi Company, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥—愛迪西公司582號02號) for industrial use (the “**Fengxiang Industrial Owned Buildings B**”).

- (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 206 (陽國用(2014)第206號) issued by the People's Government of Yanggu County on 7 November 2014, Fengxiang Industrial has the granted land use right to the Fengxiang Industrial Land B for industrial use for a term expiring on 17 March 2047 (the "**Fengxiang Industrial Land Use Right B**").

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Industrial Land Use Right B is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Land Use Right B is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Land Use Right B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Land Use Right B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Land Use Right B (together with the buildings legally owned by and duly registered under the name of Fengxiang Industrial on the Fengxiang Industrial Land B), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0024451 (陽房權證陽谷縣字第0024451號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 4 July 2014, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Buildings B.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Industrial Owned Buildings B is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Owned Buildings B is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Buildings B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Buildings B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Buildings B (together with the underlying land use right legally owned by Fengxiang Industrial), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
14. A plot of land, and buildings erected, used for the fourth cold storage plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Dongying Village, Anle Town, Yanggu County. It is bordered by Chengxin Road to the north, Guangming Avenue to the west, the land of Dongying Village to the east and Fengxiang Road to the south.</p> <p>As per Real Estate Title Certificate, the site area is 131,999 sq.m.</p> <p>The Property consists of buildings, with a floor area of 46,576.51 sq.m, 1,473.15 sq.m, 19,215.6 sq.m and 30,007.67 sq.m.</p> <p>Land use term for 50 years from 27 December 2006 to 26 December 2056.</p>	Property is used for cold storage plant and ancillary facilities	RMB326,522,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0004376 (魯(2017)陽谷縣不動產權第0004376號) issued by the Land Bureau of Yanggu County dated 18 August 2017, ownership of the land is held under the name of 山東鳳祥實業有限公司 (Shandong Fengxiang Industrial Co., Ltd., “**Fengxiang Industrial**”), being a wholly-owned subsidiary of the Company. The site has an area of 131,999 sq.m. for industrial use, expiring on 26 December 2056. The building ownership rights of the property with a total gross floor area of approximately 46,576.51 sq.m. were granted to Fengxiang Industrial expiring on 26 December 2056 for industrial use. According to the Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0004376 (魯(2017)陽谷縣不動產權第0004376號), the other details of the Property are presented as follows:

The floor area 46,576.51 sq.m., total of 5 units

First building:

Gross Floor Area 1,770.17 sq.m.
 Building structure Mixed Concrete
 Total number of floors 1
 Floor Number Floor 1

Second building:

Gross Floor Area 1,009.34 sq.m.
 Building structure Mixed Concrete
 Total number of floors 1
 Floor Number Floor 1

Third building:

Gross Floor Area	28.62 sq.m.
Building structure	Mixed Concrete
Total number of floors	1
Floor Number	Floor 1

Fourth building:

Gross Floor Area	3,785.55 sq.m.
Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1–2

Fifth building:

Gross Floor Area	39,982.83 sq.m.
Building structure	Mixed Concrete
Total number of floors	3
Floor Number	Floor 1–3

- (2) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015329 (魯(2022)陽谷縣不動產權第0015329號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 25 May 2022. The building ownership rights of the property with a total gross floor area of approximately 1473.15 sq.m. were granted to Fengxiang Industrial expiring on 26 December 2056 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015329 (魯(2022)陽谷縣不動產權第0015329號), the other details of the Property are presented as follows:

The shared land parcel area	131,999 sq.m.
Gross Floor Area	1,473.15 sq.m.
Building structure	Mixed Concrete
Total number of floors	2
Floor Number	1–2 floor

- (3) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014897 (魯(2019)陽谷縣不動產權第0014897號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 3 December 2019. The building ownership rights of the property with a total gross floor area of approximately 19215.60 sq.m. were granted to Fengxiang Industrial expiring on 26 December 2056 for industrial use. According to the Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014897 (魯(2019)陽谷縣不動產權第0014897號), the other details of the Property are presented as follows:

The shared land parcel area	131,999 sq.m.
Gross Floor Area	19,215.60 sq.m.
Building structure	Mixed Concrete
Total number of floors	2
Floor Number	1–2 floor

- (4) Pursuant to the Real Estate Title Certificate — Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015331 (魯(2022)陽谷縣不動產權第0015331號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 25 May 2022. The building ownership rights of the property with a total gross floor area of approximately 30007.67 sq.m. were granted to Fengxiang Industrial expiring on 26 December 2056 for industrial use. According to the Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015331 (魯(2022)陽谷縣不動產權第0015331號), the other details of the Property are presented as follows:

The shared land parcel area	131,999 sq.m.
Gross Floor Area	30,007.67 sq.m.
Building structure	Mixed Concrete
Total number of floors	2
Floor Number	1–2 floor

- (5) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate Yes

- (6) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 46,576.51 square meters located at Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村) for industrial use and the underlying granted land use right (the land use right area being 131,999 square meters) for industrial use for a term expiring on 26 December 2056 (collectively, the “**Fengxiang Industrial Owned Property 1**”).

According to the Real Estate Title Certificate with reference number of Lu (2017) Yang Gu Xian Bu Dong Chan Quan Di No. 0004376 (魯(2017)陽谷縣不動產權第0004376號) issued by the Land Bureau of Yanggu County on 18 August 2017, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 1.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Industrial Owned Property 1 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 4.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Industrial Owned Property 1 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 1 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 1. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 1, provided that statutory procedures under the applicable PRC Laws are followed.

- (ii) Buildings with a total gross floor area of 1,473.15 square meters located at No.166-2, Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村166號-2) for industrial use and the underlying granted land use right (the total area of the land being 131,999 square meters) for industrial use for a term expiring on 26 December 2056 (collectively, the **“Fengxiang Industrial Owned Property 2”**).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015329 (魯(2022)陽谷縣不動產權第0015329號) issued by the Natural Resources and Planning Bureau of Yanggu County on 25 May 2022, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 2.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Industrial Owned Property 2 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 4.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Industrial Owned Property 2 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 2 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 2. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 2, provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) Buildings with a total gross floor area of 19,215.60 square meters located to the north of Fucheng Avenue and to the west of Zhenxing Road, Xiangguang Ecological Industrial Park, Yanggu County (Dongying Village, Anle Town) (陽谷縣祥光生態工業園區伏城大道北側，振興路西側(安樂鎮董營村)) for industrial use and the underlying granted land use right (the total area of the land being 131,999 square meters) for industrial use for a term expiring on 26 December 2056 (collectively, the **“Fengxiang Industrial Owned Property 3”**).

According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014897 (魯(2019)陽谷縣不動產權第0014897號) issued by the Natural Resources and Planning Bureau of Yanggu County on 3 December 2019, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 3.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Industrial Owned Property 3 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 4.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Industrial Owned Property 3 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 3 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 3. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 3, provided that statutory procedures under the applicable PRC Laws are followed.

- (iv) Buildings with a total gross floor area of 30,007.67 square meters located at No.166-1 Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村166號-1) for industrial use and the underlying granted land use right (the total area of the land being 131,999 square meters) for industrial use for a term expiring on 26 December 2056 (collectively, the “**Fengxiang Industrial Owned Property 4**”).

According to the Real Estate Title Certificate with reference number of Lu (2022) Yang Gu Xian Bu Dong Chan Quan Di No. 0015331 (魯(2022)陽谷縣不動產權第0015331號) issued by the Natural Resources and Planning Bureau of Yanggu County on 25 May 2022, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 4.

According to the Real Estate Registration Certificate with reference number of Lu (2024) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0000320 (魯(2024)陽谷縣不動產證明第0000320號) issued by the Natural Resources and Planning Bureau of Yanggu County on 11 January 2024, Fengxiang Industrial Owned Property 4 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 4.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Industrial Owned Property 4 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 4 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 4. Subject to the restrictions related to the mortgages as set put in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 4, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
15. A plot of land, and buildings erected, used for wastewater treatment plant located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 686, Liumiao Village, Anle Town, Yanggu County. It is surrounded by the land of Liumiao Village on all sides.</p> <p>As per Real Estate Title Certificate, the site area is 10,775 sq.m.</p> <p>The Property consists of a wastewater treatment plant, with a floor area of 3,428.44 sq.m.</p> <p>Land use term for 50 years from 21 February 2021 to 19 February 2071.</p>	Property is used for wastewater treatment plant	RMB7,805,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0022357 (魯(2021)陽谷縣不動產權第0022357號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 9 July 2021, ownership of the land is held under the name of 山東鳳祥實業有限公司 (Shandong Fengxiang Industrial Co., Ltd., “**Fengxiang Industrial**”), being a wholly-owned subsidiary of the Company. The site has an area of 10,775 sq.m. for industrial use. Land use term for Industrial is 50 years from 21 February 2021 to 19 February 2071. The building ownership rights of the property with a total gross floor area of approximately 3,428.44 sq.m. were granted to Fengxiang Industrial for industrial use.
- (2) The major certificate and permit of the Property is summarised as follows:
 - (i) Real Estate Title Certificate Yes
- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) Buildings with a total gross floor area of 3,438.44 square meters located at No.686 Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村686號) for industrial use and the underlying granted land use right (the land use right area being 10,775 square meters) for industrial use with the term commencing from 20 February 2021 and ending on 19 February 2071 (collectively, the “**Fengxiang Industrial Owned Property 5**”).

According to the Real Estate Title Certificate with reference number of Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0022357 (魯(2021)陽谷縣不動產權第0022357號) issued by the Natural Resources and Planning Bureau of Yanggu County on 9 July 2021, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 5.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Industrial Owned Property 5 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份

有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Owned Property 5 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 5 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 5. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 5, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
16. A plot of land, and buildings erected, used for packaging plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in Unit 01 and 02, No. 174, Fengxiang Group, Dongying Village, Anle Town, Yanggu County. It is bordered by Fucheng Avenue to the north, Dongying Village to the west, Zhongke Fengxiang Bioengineering Co., Ltd. to the east, and Dongying Village to the south.</p> <p>As per Real Estate Title Certificate, the site area is 41,907 sq.m.</p> <p>The Property consists of a building, with floor area of 13,101.93 sq.m.</p> <p>Land use term for 50 years from 31 December 2009 to 30 December 2059.</p>	Property is used for packaging plant	RMB13,567,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0003301 (魯(2019)陽谷縣不動產權第0003301號) issued by the Natural Resources and Planning dated 3 June 2019, ownership of the land is held under the name of 山東鳳祥實業有限公司 (Shandong Fengxiang Industrial Co., Ltd., “**Fengxiang Industrial**”), being a wholly-owned subsidiary of the Company. The site has an area of 41,907 sq.m. for industrial use, expiring on 30 December 2059. The building ownership rights of the property with a total gross floor area of approximately 13,101.93 sq.m. were granted to Fengxiang Industrial expiring on 30 December 2059 for industrial use. According to the Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0003301 (魯(2019)陽谷縣不動產權第0003301號), the other details of the Property are presented as follows:

Total Floor Area 13,101.93 sq.m., total of 2 units

First building:

Gross Floor Area 11,176.96 sq.m.

Building structure Mixed Concrete

Total number of floors 1

Floor Number Floor 1

Second building:

The floor area of the second building 1,924.97 sq.m.

Building structure Mixed Concrete

Total number of floors 1

Floor Number Floor 1

(2) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate Yes

(3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

(i) Buildings with a total gross floor area of 13,101.93 square meters located at 01 and 02, No. 174, Fengxiang Group, Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村鳳祥集團174號01、02) for industrial use and the underlying granted land use right (the land use right area being 41,907 square meters) for industrial use for a term expiring on 30 December 2059 (collectively, the “**Fengxiang Industrial Owned Property 6**”).

According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0003301 (魯(2019)陽谷縣不動產權第0003301號) issued by the Natural Resources and Planning on 13 June 2019, Fengxiang Industrial is the legal owner of the Fengxiang Industrial Owned Property 6.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Industrial Owned Property 6 is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Industrial Owned Property 6 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Industrial Owned Property 6 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Industrial Owned Property 6. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Industrial is entitled to transfer, mortgage or lease the Fengxiang Industrial Owned Property 6, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
17. A plot of land, and buildings erected, used for the first cooked food factory located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located at No. 598-1, Fengxiang Group, Dongying Village, Anle Town, Yanggu County. It is bordered by Chengxin Road to the north, Zhenxing Road to the west, Shandong Fengxiang Co., Ltd. to the east and Fucheng Avenue to the south.</p> <p>As per Real Estate Title Certificate, the site area is 35,319.50 sq.m.</p> <p>The Property consists of a building, with floor area of 16,721.64 sq.m.</p> <p>Land use term for 50 years from 29 May 1996 to 28 May 2046.</p>	Property is used for cooked food factory	RMB45,487,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014164 (魯(2019)陽谷縣不動產權第0014164號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 5 November 2019, ownership of the land is held under the name of 山東鳳祥食品發展有限公司 (Shandong Fengxiang Food Development Co., Ltd., “**Fengxiang Food Development**”), being a wholly-owned subsidiary of the Company. The site has an area of 35,319.50 sq.m. for industrial use, expiring on 28 May 2046. The building ownership rights of the property with a total gross floor area of approximately 16,721.64 sq.m. were granted to Fengxiang Food Development expiring on 28 May 2046 for factory and workshop use. According to the Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014164 (魯(2019)陽谷縣不動產權第0014164號), the other details of the Property are presented as follows:

Gross Floor Area	16,721.64 sq.m.
Building structure	Mixed Concrete
Total number of floors	4
Floor Number	Floor 1–2

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 16,721.64 square meters located at No. 598-1, Fengxiang Group, Liumiao Village, Anle Town, Yanggu County (陽谷縣安樂鎮劉廟村鳳祥集團598號-1) for factory building and workshop uses and the underlying granted land use right (the land use right area being 35,319.50 square meters) for industrial use for a term expiring on 28 May 2046 (collectively, the “**Fengxiang Food Development Owned Property 1**”).

According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014164 (魯(2019)陽谷縣不動產權第0014164號) issued by the Natural Resources and Planning Bureau of Yanggu County on 5 November 2019, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Property 1.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Food Development Owned Property 1 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Owned Property 1 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Property 1 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Property 1. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Property 1, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
18. A plot of land, and buildings erected, used for the second cooked food plant located in Dongying Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in No. 172, Fengxiang Group, Dongying Village, Anle Town, Yanggu County. It is bordered by Xiaokang Road and Shandong Fengxiang Co., Ltd. to the north, the land of Dongying Village to the west, Fuqiang Road to the east and Chengxin Road to the south.</p> <p>As per Real Estate Title Certificate, the site area is 54,719.59 sq.m.</p> <p>The Property consists of a building, with floor area of 23,425.2 sq.m.</p> <p>Land use term for 50 years from 31 December 2009 to 30 December 2059.</p>	Property is used for cooked food plant	RMB85,946,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0001204 (魯(2018)陽谷縣不動產權第0001204號) issued by the Land and Resources Bureau of Yanggu County dated 24 February 2018, ownership of the land is held under the name of 山東鳳祥食品發展有限公司 (Shandong Fengxiang Food Development Co., Ltd., “**Fengxiang Food Development**”), being a wholly-owned subsidiary of the Company. The site has an area of 54,719.59 sq.m. for industrial use. Land use term for Industrial is 50 years expires on 30 December 2059. The building ownership rights of the property with a total gross floor area of approximately 23,425.20 sq.m. were granted to Fengxiang Food Development expiring on 30 December 2059 for industrial use. According to the Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0001204 (魯(2018)陽谷縣不動產權第0001204號), the other details of the Property are presented as follows:

Gross Floor Area	23,425.20 sq.m.
Building structure	Mixed Concrete
Total number of floors	2
Floor Number	1–2 floor

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 23,425.20 square meters located at No. 172, Fengxiang Group, Dongying Village, Anle Town, Yanggu County (陽谷縣安樂鎮董營村鳳祥集團172號) for industrial use and the underlying granted land use right (the land use right area being 54,719.59 square meters) for industrial use for a term expiring on 30 December 2059 (collectively, the “**Fengxiang Food Development Owned Property 2**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yang Gu Xian Bu Dong Chan Quan Di No. 0001204 (魯(2018)陽谷縣不動產權第0001204號) issued by the Land and Resources Bureau of Yanggu County on 24 February 2018, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Property 2.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Food Development Owned Property 2 is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Owned Property 2 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Property 2 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Property 2. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Property 2, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
19. A plot of land, and buildings erected, used for the third cooked food plant located in Xiangguang Ecological Industrial Park, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in West of Shouguo Road and north of Fengxiang Road, Xiangguang Ecological Industrial Park, Liumiao Village, Anle Town, Yanggu County. It is bordered by the land of Liumiao Village to the north, Shandong Fengxiang Co., Ltd. to the west, the land of Liumiao Village and Shouguo Road to the east, and Fengxiang Road to the south.</p> <p>As per Land Use Right Certificate, the site area is 29,454 sq.m.</p> <p>The Property consists of a building, with floor area of 14,280.76 sq.m.</p> <p>Land use term for 50 years from 28 August 2014 to 27 August 2064.</p>	Property is used for cooked food plant	RMB25,267,000

Notes:

- (1) Pursuant to the Land Use Right Certificate — Yang Guo Yong (2014) No. 217 (陽國用(2014)第217號) issued by the People's Government of Yanggu County dated 10 December 2014, ownership of the land is held under the name of 山東鳳祥食品發展有限公司 (Shandong Fengxiang Food Development Co., Ltd., “**Fengxiang Food Development**”), being a wholly-owned subsidiary of the Company. The site has an area of 29,454 sq.m. for industrial use, expiring on 27 August 2064.
- (2) Pursuant to the Building Ownership Certificate — Yang Fang Quan Zheng Yang Gu Xian Zi No. 0028581 (陽房權證陽谷縣字第0028581號) issued by the Real Estate Administration Bureau of Yanggu County dated 31 December 2015, the building ownership rights of the property with a total gross floor area of approximately 14,280.76 sq.m. were granted to Fengxiang Food Development for factory and garage use.
- (3) The major certificate and permit of the Property is summarised as follows:

(i)	Land Use Rights Certificate	Yes
(ii)	Building Ownership Certificate	Yes
- (4) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) (a) A plot of land with an area of 29,454 square meters located to the west of Shouguo Road and to the north of Fengxiang Road, Xiangguang Eco-Industrial Park (祥光生態工業園壽郭路西側、鳳祥路北側) (the “**Fengxiang Food Development Land A**”) and (b) buildings with a total gross floor area of 14,280.76 square meters located at Xi-2, Shouguo Road, Yanggu County (陽谷縣壽郭路西-2) for factory building and workshop uses (the “**Fengxiang Food Development Owned Buildings A**”).

- (ii) According to the Land Use Right Certificate with reference number of Yang Guo Yong (2014) No. 217 (陽國用(2014)第217號) issued by the People's Government of Yanggu County on 10 December 2014, Fengxiang Food Development has the granted land use right to the Fengxiang Food Development Land A for industrial use for a term expiring on 27 August 2064 (the **"Fengxiang Food Development Land Use Right A"**).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Food Development Land Use Right A is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Land Use Right A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Land Use Right A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Land Use Right A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Land Use Right A (together with the buildings legally owned by and duly registered under the name of Fengxiang Food Development on the Fengxiang Food Development Land A), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Building Ownership Certificate with reference number of Yang Fang Quan Zheng Yang Gu Xian Zi No. 0028581 (陽房權證陽谷縣字第0028581號) issued by the Real Estate Administration Bureau of Yanggu County and registered on 31 December 2015, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Buildings A.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0012624 (魯(2023)陽谷縣不動產證明第0012624號) issued by the Natural Resources and Planning Bureau of Yanggu County on 30 November 2023, the Fengxiang Food Development Owned Buildings A is mortgaged in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行) to secure the Debt 1.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Owned Buildings A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Buildings A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Buildings A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Buildings A (together with the underlying land use right legally owned by Fengxiang Food Development), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
20. Plots of land, and buildings erected, used for the fourth cooked food factory with ancillary facilities located in Yanggu County, Liaocheng, Shandong, the PRC	<p>The cooked food factory and its ancillary facilities are located across three land parcels.</p> <p>The first parcel is located on the south side of Fengxiang Road and the east side of Xiangguang Avenue in the Liumiao Village Industrial Park, Anle Town, Yanggu County. It is bordered by Fengxiang Road to the north, Xiangguang Avenue to the west, the land of Renyanzhai Village to the east and Fengxiang Food Co., Ltd. to the south.</p> <p>The second parcel is located on the south side of Fucheng Avenue and the east side of Fuxi Avenue, Renyanzhai Village, Runlou Town, Yanggu County. It is bordered by the land of Yanzhai Village to the north, west and south, and Shandong Fengxiang Food Development Co., Ltd. to the east.</p> <p>The third parcel is located on the south side of Fucheng Avenue and the west side of Zhenxing Road in Xiangguang Ecological Industrial Park, Yanggu County. It is bordered by Fucheng Avenue to the north, Shandong Fengxiang Food Development Co., Ltd. to the west, the land of Renyanzhai Village to the east and Fengxiang Food Co., Ltd. to the south.</p> <p>As per Real Estate Title Certificate, the site area is 92,915 sq.m.</p> <p>The Property consists of buildings with a floor area of 56,307.75 sq.m.</p> <p>The Land use terms are 50 years from 22 September 2016 to 21 September 2066, from 18 July 2017 to 16 July 2067 and from 31 March 2020 to 30 March 2070, respectively.</p>	Property is used for cooked food factory and its ancillary facilities	RMB184,228,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2016) Yang Gu Xian Bu Dong Chan Quan Di No. 0000014 (魯(2016)陽谷縣不動產權第0000014號) issued by the Land and Resources Bureau of Yanggu County dated 24 October 2016, ownership of the land is held under the name of 山東鳳祥食品發展有限公司 (Shandong Fengxiang Food Development Co., Ltd., “**Fengxiang Food Development**”), being a wholly-owned subsidiary of the Company. The site has an area of 67,190 sq.m. for industrial use, expiring on 21 September 2066.
- (2) Pursuant to the Real Estate Title Certificate — Lu (2020) Yang Gu Xian Bu Dong Chan Quan Di No. 0002621 (魯(2020)陽谷縣不動產權第0002621號) issued by the Land and Resources Bureau of Yanggu County dated 26 April 2020, ownership of the land is held under the name of Fengxiang Food Development. The site has an area of 9,327 sq.m. for industrial use, expiring on 30 March 2070.
- (3) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0015528 (魯(2019)陽谷縣不動產權第0015528號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 13 December 2019, ownership of the land is held under the name of Fengxiang Food Development. The site has an area of 16,398 sq.m. for industrial use. Land use term for Industrial is 50 years from 17 July 2017 to 16 July 2067. The building ownership rights of the property with a total gross floor area of approximately 8,034.87 sq.m. were granted to Fengxiang Food Development for industrial use.
- (4) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0015388 (魯(2019)陽谷縣不動產權第0015388號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 10 December 2019. The building ownership rights of the property with a total gross floor area of approximately 48,272.88 sq.m. were granted to Fengxiang Food Development expiring on 21 September 2066 for industrial use. According to the Building Ownership Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0015388 (魯(2019)陽谷縣不動產權第0015388號), the other details of the Property are presented as follows:

Total site area	67,190 sq.m.
Total area of buildings	48,272.88 sq.m., total of 2 units
First building:	
Gross Floor Area	23,956.24 sq.m.
Building structure	Steel reinforced Concrete
Total number of floors	1
Floor Number	Floor 1
Second building:	
Gross Floor Area	24,316.64 sq.m.
Building structure	Steel reinforced Concrete
Total number of floors	2
Floor Number	Floor 1–2

- (5) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate	Yes
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(6) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) (a) A plot of land with an area of 67,190 square meters located to the south of Fengxiang Road and to the east of Xiangguang Avenue, Park (園區鳳祥路南、祥光大道東側) (the “**Fengxiang Food Development Land B**”) and (b) buildings with a total gross floor area of 48,272.88 square meters located to the south of Fucheng Avenue and to the east of Fuxi Avenue, Park, Yanggu County (陽谷縣園區伏城大道南、伏羲大道東側) for industrial use and the underlying granted land use right (the total area of the land being 67,190 square meters) for industrial use for a term expiring on 21 September 2066 (collectively, the “**Fengxiang Food Development Owned Property 3**”).
- (ii) According to the Real Estate Title Certificate with reference number of Lu (2016) Yang Gu Xian Bu Dong Chan Quan Di No. 0000014 (魯(2016)陽谷縣不動產權第0000014號) issued by the Land and Resources Bureau of Yanggu County on 24 October 2016, Fengxiang Food Development has the granted land use right to the Fengxiang Food Development Land B for industrial use for a term expiring on 21 September 2066 (the “**Fengxiang Food Development Land Use Right B**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0012347 (魯(2023)陽谷縣不動產證明第0012347號) issued by the Natural Resources and Planning Bureau of Yanggu County on 22 November 2023, Fengxiang Food Development Land Use Right B is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the debts in a maximum amount of RMB277,000,000 incurred during the period commencing from 2 November 2023 and ending on 2 November 2026, which is also part of the Syndicated Loan (the “**Debt 5**”).

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Food Development Land Use Right B is mortgaged as second ranking in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Land Use Right B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Land Use Right B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Land Use Right B (together with the buildings legally owned by and duly registered under the name of Fengxiang Food Development on the Fengxiang Food Development Land B), provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0015388 (魯(2019)陽谷縣不動產權第0015388號) issued by the Natural Resources and Planning Bureau of Yanggu County on 10 December 2019, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Property 3.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0012347 (魯(2023)陽谷縣不動產證明第0012347號) issued by the Natural Resources and Planning Bureau of Yanggu County on 22 November 2023, Fengxiang Food Development Owned Property 3 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行

行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 5.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Food Development Owned Property 3 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Property 3 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Property 3. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Property 3, provided that statutory procedures under the applicable PRC Laws are followed.

- (iv) Buildings with a total gross floor area of 8,034.87 square meters located to the south of Fucheng Avenue and to the west of Zhenxing Road, Xiangguang Eco-Industrial Park, Yanggu County (陽谷縣祥光生態工業園區伏城大道南、振興路西側) for industrial use and the underlying granted land use right (the land use right area being 16,398 square meters) for industrial use with the term commencing from 17 July 2017 and ending on 16 July 2067 (collectively, the “**Fengxiang Food Development Owned Property 4**”).

According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0015528 (魯(2019)陽谷縣不動產權第0015528號) issued by the Natural Resources and Planning Bureau of Yanggu County on 13 December 2019, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Property 4.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di No. 0012347 (魯(2023)陽谷縣不動產證明第0012347號) issued by the Natural Resources and Planning Bureau of Yanggu County on 22 November 2023, Fengxiang Food Development Owned Property 4 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 5.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, Fengxiang Food Development Owned Property 4 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Property 4 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Property 4. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Property 4, provided that statutory procedures under the applicable PRC Laws are followed.

- (v) A plot of land with an area of 9,327 square meters located to the south of Fucheng Avenue and to the east of Fuxi Avenue, Renyanzhai Village, Yanlou Town (閆樓鎮任岩寨村，伏城大道南，伏羲大道東側) (the “**Fengxiang Food Development Land C**”).

According to the Real Estate Title Certificate with reference number of Lu (2020) Yang Gu Xian Bu Dong Chan Quan Di No. 0002621 (魯(2020)陽谷縣不動產權第0002621號) issued by the Land and Resources Bureau of Yanggu County on 26 April 2020, Fengxiang Food Development has the granted land use right to the Fengxiang Food Development Land C for industrial use for a term expiring on 30 March 2070 (the “**Fengxiang Food Development Land Use Right C**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Food Development Land Use Right C is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Land Use Right C is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Land Use Right C at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Land Use Right C. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Land Use Right C (together with the buildings legally owned by and duly registered under the name of Fengxiang Food Development on the Fengxiang Food Development Land C), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
21. A plot of land, and buildings erected, used for R&D center located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in North of Fucheng Avenue and west of Fuxi Avenue, Yanggu County. It is surrounded by the land of Yulin Zhao Village on all sides.</p> <p>As per Real Estate Title Certificate, the site area is 2,444 sq.m.</p> <p>The Property consists of a building, with floor area of 4,531.84 sq.m.</p> <p>Land use term for 50 years from 20 June 2017 to 19 June 2067.</p>	Property is used for R&D Center	RMB13,409,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014754 (魯(2019)陽谷縣不動產權第0014754號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 20 January 2019, ownership of the land is held under the name of 山東鳳祥食品發展有限公司 (Shandong Fengxiang Food Development Co., Ltd., “**Fengxiang Food Development**”), being a wholly-owned subsidiary of the Company. The site has an area of 2,444 sq.m. for industrial use, expiring on 19 June 2067. The building ownership rights of the property with a total gross floor area of approximately 4,531.84 sq.m. were granted to Fengxiang Food Development expiring on 19 June 2067 for industrial use. According to the Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014754 (魯(2019)陽谷縣不動產權第0014754號), the other details of the Property are presented as follows:

Gross Floor Area	4,531.84 sq.m.
Building structure	Steel reinforced concrete
Total number of floors	3
Floor Number	Floor 1–3

- (2) The major certificate and permit of the Property is summarised as follows:

- (i) Real Estate Title Certificate Yes

- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) Buildings with a total gross floor area of 4,531.84 square meters located to the north of Fucheng Avenue and to the west of Fuxi Avenue, Yanggu (陽谷伏城大道北側、伏羲大道西側) for industrial use and the underlying granted land use right (the land use right area being 2,444 square meters) for industrial use for a term expiring on 19 June 2067 (collectively, the “**Fengxiang Food Development Owned Property 5**”).

According to the Real Estate Title Certificate with reference number of Lu (2019) Yang Gu Xian Bu Dong Chan Quan Di No. 0014754 (魯(2019)陽谷縣不動產權第0014754號) issued by the Natural Resources and Planning Bureau of Yanggu County on 20 November 2019, Fengxiang Food Development is the legal owner of the Fengxiang Food Development Owned Property 5.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Fengxiang Food Development Owned Property 5 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Fengxiang Food Development Owned Property 5 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Fengxiang Food Development Owned Property 5 at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Fengxiang Food Development Owned Property 5. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Fengxiang Food Development is entitled to transfer, mortgage or lease the Fengxiang Food Development Owned Property 5, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
22. A plot of land, and buildings erected, used for food processing plant located in Yucheng, Shandong, the PRC	<p>The food processing plant is located across two land parcels.</p> <p>The first land parcel is located in north of Shifeng Street, Yucheng City. It is bordered by the land of Huozhuang Village to the north, Yucheng Yuwang Seed Industry Co., Ltd. to the west, Yucheng Fengming Food Co., Ltd. to the east, and Shifeng Street to the south.</p> <p>The second land parcel is located in West of Provincial Road 101, Yucheng City. It is bordered by the land of Huozhuang Village to the north, Shandong Yucheng Fengxiang Chicken Industry Co., Ltd. to the west, Provincial Road 101 to the east and Shifeng Street to the south.</p> <p>As per Real Estate Title Certificate, the site area is 28,939 sq.m., including two parts 3,182 sq.m and 25,757 sq.m.</p> <p>The Property consists of buildings, with floor area of 8,113.51 sq.m.</p> <p>The Land use terms are 50 years from 7 June 2000 to 6 June 2050 and from 25 September 2012 to 24 September 2062, respectively.</p>	Property is used for food processing plant	RMB14,431,000

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001663 (魯(2018)禹城市不動產權第0001663號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of 禹城鳳鳴食品有限公司 (Yucheng Fengming Food Co., Ltd., “**Yucheng Fengming**”), being a wholly-owned subsidiary of the Company. The site has an area of 3,182 sq.m. for industrial use, expiring on 24 September 2062.

- (2) Pursuant to the Real Estate Title Certificate- Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001664 (魯(2018)禹城市不動產權第0001664號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 479.3 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001664 (魯(2018)禹城市不動產權第0001664號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (3) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001665 (魯(2018)禹城市不動產權第0001665號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 415.18 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001665 (魯(2018)禹城市不動產權第0001665號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (4) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001667 (魯(2018)禹城市不動產權第0001667號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 43.29 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001667 (魯(2018)禹城市不動產權第0001667號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (5) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001668 (魯(2018)禹城市不動產權第0001668號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 120.78 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001668 (魯(2018)禹城市不動產權第0001668號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (6) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001669 (魯(2018)禹城市不動產權第0001669號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 6,009.91 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001669 (魯(2018)禹城市不動產權第0001669號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (7) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001670 (魯(2018)禹城市不動產權第0001670號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 969.27 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001670 (魯(2018)禹城市不動產權第0001670號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (8) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001671 (魯(2018)禹城市不動產權第0001671號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 28.86 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001671 (魯(2018)禹城市不動產權第0001671號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (9) Pursuant to the Real Estate Title Certificate — Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001678 (魯(2018)禹城市不動產權第0001678號) issued by the Land and Resources Bureau of Yucheng City dated 30 May 2018, ownership of the land is held under the name of Yucheng Fengming. The site has a shared area of 25,757.0 sq.m. for industrial use. The building ownership rights of the property with a total gross floor area of approximately 46.92 sq.m. were granted to Yucheng Fengming expiring on 06 June 2050 for industrial use. According to the Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001678 (魯(2018)禹城市不動產權第0001678號), the other details of the Property are presented as follows:

Building structure	Mixed Concrete
Total number of floors	2
Floor Number	Floor 1

- (10) The major certificate and permit of the Property is summarised as follows:

(i) Real Estate Title Certificate	Yes
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(11) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company's PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:

- (i) A plot of land with an area of 3,182 square meters located to the north of Shifeng Street (石鳳街北側) (“**Yucheng Fengming Land A**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001663 (魯(2018)禹城市不動產權第0001663號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming has the granted land use right to the Yucheng Fengming Land A for industrial use for a term expiring on 24 September 2062 (the “**Yucheng Fengming Land Use Right A**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006808 (魯(2023)禹城市不動產證明第0006808號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Land Use Right A is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the debts in a maximum amount of RMB1,440,000,000 incurred during the period commencing from 2 November 2023 and ending on 2 November 2026 (the “**Debt 6**”).

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000609 (魯(2025)禹城市不動產證明第0000609號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Land Use Right A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Land Use Right A at the Realty Registry of Yucheng City (禹城市不動產登記中心) (the “**Yucheng Registry**”) conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Land Use Right A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Land Use Right A (together with the buildings legally owned by and duly registered under the name of Yucheng Fengming on the Yucheng Fengming Land A), provided that statutory procedures under the applicable PRC Laws are followed.

- (ii) Buildings with a total gross floor area of 479.3 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 1**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001664 (魯(2018)禹城市不動產權第0001664號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 1.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 1 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 1 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 1 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 1. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 1, provided that statutory procedures under the applicable PRC Laws are followed.

- (iii) Buildings with a total gross floor area of 415.18 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 2**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001665 (魯(2018)禹城市不動產權第0001665號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 2.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 2 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 2 is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 2 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 2. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 2, provided that statutory procedures under the applicable PRC Laws are followed.

- (iv) Buildings with a total gross floor area of 43.29 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 3**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001667 (魯(2018)禹城市不動產權第0001667號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 3.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 3 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 3 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 3 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 3. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 3, provided that statutory procedures under the applicable PRC Laws are followed.

- (v) Buildings with a total gross floor area of 120.78 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 4**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001668 (魯(2018)禹城市不動產權第0001668號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 4.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 4 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 4 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 4 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 4. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 4, provided that statutory procedures under the applicable PRC Laws are followed.

- (vi) Buildings with a total gross floor area of 6,009.91 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 5**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001669 (魯(2018)禹城市不動產權第0001669號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 5.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 5 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 5 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 5 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 5. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 5, provided that statutory procedures under the applicable PRC Laws are followed.

- (vii) Buildings with a total gross floor area of 969.27 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 6**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001670 (魯(2018)禹城市不動產權第0001670號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 6.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 6 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 6 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 6 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 6. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 6, provided that statutory procedures under the applicable PRC Laws are followed.

- (viii) Buildings with a total gross floor area of 28.86 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 7**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001671 (魯(2018)禹城市不動產權第0001671號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 7.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 7 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 7 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 7 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 7. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 7, provided that statutory procedures under the applicable PRC Laws are followed.

- (ix) Buildings with a total gross floor area of 46.92 square meters located to the west of Provincial Highway No. 101 (101省道西側) for industrial use and the underlying granted land use right (the total area of the land being 25,757 square meters) for industrial use for a term expiring on 6 June 2050 (collectively, the “**Yucheng Fengming Owned Property 8**”).

According to the Real Estate Title Certificate with reference number of Lu (2018) Yu Cheng Shi Bu Dong Chan Quan Di No. 0001678 (魯(2018)禹城市不動產權第0001678號) issued by the Land and Resources Bureau of Yucheng City on 30 May 2018, Yucheng Fengming is the legal owner of the Yucheng Fengming Owned Property 8.

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0006805 (魯(2023)禹城市不動產證明第0006805號) issued by the Natural Resources Bureau of Yucheng City on 2 November 2023, the Yucheng Fengming Owned Property 8 is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) and Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) to secure the Debt 6.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yu Cheng Shi Bu Dong Chan Zheng Ming Di 0000607 (魯(2025)禹城市不動產證明第0000607號) issued by the Natural Resources Bureau of Yucheng City on 13 February 2025, the Yucheng Fengming Owned Property 8 is mortgaged as second ranking mortgage in favor Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Yucheng Fengming Owned Property 8 at the Yucheng Registry conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yucheng Registry exists on the Yucheng Fengming Owned Property 8. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Yucheng Fengming is entitled to transfer, mortgage or lease the Yucheng Fengming Owned Property 8, provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
23. A plot of land (vacant) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	The Property is located in South of Fucheng Avenue and east of Fuxi Avenue, Yanggu County. It is bordered by Shandong Fengxiang Food Development Co., Ltd. to the north, Fengxiang Food Co., Ltd. to the west, and the land of Renyanzhai Village to the east and south.	The land is vacant.	RMB3,797,000 (RMB3,038,000 attributable to the Company)
	As per Real Estate Title Certificate, the site area is 14,676 sq.m.		
	Land use term for 50 years from 17 July 2017 to 16 July 2067.		

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0026913 (魯(2021)陽谷縣不動產權第0026913號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 18 August 2021, ownership of the land is held under the name of 山東優形食品科技有限公司 (Shandong Youxing Food Technology Co., Ltd., “**Youxing Food Technology**”), being an 80% owned subsidiary of the Company. The site has an area of 14,676 sq.m. for industrial use, expiring on 16 July 2067.
- (2) The major certificate and permit of the Property is summarised as follows:
 - (i) Real Estate Title Certificate Yes
- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) A plot of land with an area of 14,676 square meters located to the south of Fucheng Avenue and to the east of Fuxi Avenue, Yanggu (陽谷伏城大道南、伏羲大道東側) (the “**Youxing Food Technology Land A**”).

According to the Real Estate Title Certificate with reference number of Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0026913 (魯(2021)陽谷縣不動產權第0026913號) issued by the Natural Resources and Planning Bureau of Yanggu County on 18 August 2021, Youxing Food Technology has the granted land use right to the Youxing Food Technology Land A for industrial use for a term expiring on 16 July 2067 (the “**Youxing Food Technology Land Use Right A**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Youxing Food Technology Land Use Right A is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Youxing Food Technology Land Use Right A is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Youxing Food Technology Land Use Right A at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Youxing Food Technology Land Use Right A. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Youxing Food Technology is entitled to transfer, mortgage or lease the Youxing Food Technology Land Use Right A (together with the buildings legally owned by and duly registered under the name of Youxing Food Technology on the Youxing Food Technology Land A), provided that statutory procedures under the applicable PRC Laws are followed.

VALUATION CERTIFICATE

			Market Value in existing state as at 30 April 2025
Property	Description of Tenure	Particulars of Occupancy	
24. A plot of land (vacant) located in Liumiao Village, Anle Town, Yanggu County, Liaocheng, Shandong, the PRC	<p>The Property is located in north side of the South-to-North Water Diversion Pipeline in Yanggu County Industrial Park, east side of Xiangguang Avenue. It is bordered by Shandong Fengxiang Food Development Co., Ltd. to the north, Xiangguang Avenue to the west, and the land of Renyanzhai Village to the east and south.</p> <p>As per Real Estate Title Certificate, the site area is 65,431 sq.m.</p> <p>Land use term for 50 years from 23 September 2016 to 22 September 2066.</p>	The land is vacant.	RMB16,928,000 (RMB13,542,000 attributable to the Company)

Notes:

- (1) Pursuant to the Real Estate Title Certificate — Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0026912 (魯(2021)陽谷縣不動產權第0026912號) issued by the Natural Resources and Planning Bureau of Yanggu County dated 18 August 2021, ownership of the land is held under the name of 山東優形食品科技有限公司 (Shandong Youxing Food Technology Co., Ltd., “**Youxing Food Technology**”), being an 80% owned subsidiary of the Company. The site has an area of 65,431 sq.m. for industrial use, expiring on 22 September 2066.
- (2) The major certificate and permit of the Property is summarised as follows:
 - (i) Real Estate Title Certificate Yes
- (3) We have been provided with a legal opinion as at the date of the report regarding the property interests by the Company’s PRC legal adviser, Fangda Partners, which contains, *inter alia*, the following:
 - (i) A plot of land with an area of 65,431 square meters located to the north of South-to-North Water Diversion Project Pipeline and to the east of Xiangguang Avenue, Park (園區南水北調管綫北側，祥光大道東側) (the “**Youxing Food Technology Land B**”).

According to the Real Estate Title Certificate with reference number of Lu (2021) Yang Gu Xian Bu Dong Chan Quan Di No. 0026912 (魯(2021)陽谷縣不動產權第0026912號) issued by the Natural Resources and Planning Bureau of Yanggu County on 18 August 2021, Youxing Food Technology has the granted land use right to the Youxing Food Technology Land B for industrial use for a term expiring on 22 September 2066 (the “**Youxing Food Technology Land Use Right B**”).

According to the Real Estate Registration Certificate with reference number of Lu (2023) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0011669 (魯(2023)陽谷縣不動產證明第0011669號) issued by the Natural Resources and Planning Bureau of Yanggu County on 6 November 2023, the Youxing Food Technology Land Use Right B is mortgaged in favor of Agricultural Bank of China, Yanggu County Branch (中國農業銀行股

份有限公司陽谷縣支行), Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 3.

According to the Real Estate Registration Certificate with reference number of Lu (2025) Yang Gu Xian Bu Dong Chan Zheng Ming Di 0000796 (魯(2025)陽谷縣不動產證明第0000796號) issued by the Natural Resources and Planning Bureau of Yanggu County on 14 February 2025, the Youxing Food Technology Land Use Right B is mortgaged as second ranking mortgage in favor of Shanghai Pudong Development Bank, Liaocheng Branch (上海浦東發展銀行股份有限公司聊城分行) and China Minsheng Bank, Liaocheng Branch (中國民生銀行股份有限公司聊城分行) to secure the Debt 2.

As confirmed by the PRC Counsel in the PRC Legal Opinion, according to the certificate of the title search against the Youxing Food Technology Land Use Right B at the Yanggu Resources and Planning Bureau conducted on 1 July 2025 (the copy of which has been received and reviewed by us), except for the mortgages as set out in the preceding two paragraphs, no other mortgage or any other encumbrance registered at the Yanggu Resources and Planning Bureau exists on the Youxing Food Technology Land Use Right B. Subject to the restrictions related to the mortgages as set out in the preceding two paragraphs, Youxing Food Technology is entitled to transfer, mortgage or lease the Youxing Food Technology Land Use Right B (together with the buildings legally owned by and duly registered under the name of Youxing Food Technology on the Youxing Food Technology Land B), provided that statutory procedures under the applicable PRC Laws are followed.

1. RESPONSIBILITY STATEMENT

As at the Latest Practicable Date, the Offeror's sole director is Mr. Zhu Lingjie. The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Company) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any of the statements in this Composite Document misleading.

As at the Latest Practicable Date, the general partner of Falcon Holding is Falcon Holding GP Limited. As at the Latest Practicable Date, the directors of Falcon Holding GP Limited are Lincoln Lin Feng Pan, Gauravjit Singh and Koichi Ito. As at the Latest Practicable Date, the directors of PAG Asia Capital GP IV Limited (being the general partner of PAG Fund IV) are Jon Robert Lewis, Derek Roy Crane, Noel Patrick Walsh and Mark Raymond Bennett. The directors of Falcon Holding GP Limited and PAG Asia Capital GP IV Limited jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Company) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any of the statements in this Composite Document misleading.

As at the Latest Practicable Date, the Board comprises Mr. Xiao Dongsheng and Mr. Shi Lei as executive Directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive Directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Offeror, Falcon Holding and any parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror and the directors of Falcon Holding GP Limited and PAG Asia Capital GP IV Limited in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any of the statements in this Composite Document misleading.

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the registered and issued share capital of the Company were as follows:

RMB

Registered Share Capital:

538,348,000 H Shares of RMB1.00 each	538,348,000
1,045,000,000 Domestic Shares of RMB1.00 each	1,045,000,000
Total	1,583,348,000

Issued and fully paid:

538,348,000 H Shares of RMB1.00 each	538,348,000
1,045,000,000 Domestic Shares of RMB1.00 each	1,045,000,000
Total	1,583,348,000

All of the Domestic Shares and H Shares currently in issue rank *pari passu* in all respects with each other, including voting rights, right to receive dividend payment (except that payment of dividend will be made in RMB to the Domestic Shareholders and in HK\$ to H Shareholders) and capital (including right to return of capital).

Since 31 December 2024, being the date of the last audited consolidated financial statements of the Company, up to the Latest Practicable Date, the Company had not issued any Shares.

There were not any outstanding options, derivatives, warrants, or any conversion rights affecting the Shares issued by the Company as at the Latest Practicable Date and the Company had not entered into any agreement for the issue of such options, derivatives, warrants, or securities convertible or exchangeable into Shares, and the Company had no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.

3. MARKET PRICES

The table below sets out the closing price of the H Shares on the Stock Exchange on (1) the last trading day of each of the calendar months during the Relevant Period, (2) the Last Trading Date, and (3) the Latest Practicable Date:

Date	Closing price of each H Share (HK\$)
31 October 2024	0.97
29 November 2024	0.82
31 December 2024	1.37
28 January 2025	1.44
28 February 2025	1.48
14 March 2025 (Last Trading Date)	1.50
31 March 2025	1.50
30 April 2025	1.89
30 May 2025	1.88
30 June 2025	1.88
3 July 2025 (Latest Practicable Date)	1.88

During the Relevant Period, the highest closing price of the H Shares as quoted on the Stock Exchange was HK\$1.90 on 16, 17, 22, 23, 24, 25, 28 and 29 April 2025, and 2, 6, 7, 9, 14, 16, 19, 20, 21, 22, 26 and 27 May 2025; and the lowest closing price of the H Shares as quoted on the Stock Exchange was HK\$0.81 on 25, 26, 27 and 28 November 2024.

4. DISCLOSURE OF INTERESTS IN THE SHARES BY THE COMPANY

(a) Interests of the Directors, supervisors and chief executive of the Company in the securities of the Company and the securities of the associated corporations of the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors, supervisors and chief executive of the Company had any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) recorded in the register required to be kept by the Company

under section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules; or (d) disclosed under the Takeovers Code:

Name of Directors/Supervisors	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of Shares of the Company ⁽¹⁾	Approximate percentage of interest in the total share capital of the Company ⁽²⁾
Mr. Xiao Dongsheng ⁽³⁾	Beneficial interest	H Shares	3,216,000 (L)	0.60%	0.20%
Mr. Shi Lei ⁽³⁾	Beneficial interest	H Shares	1,386,000 (L)	0.26%	0.09%

Notes:

- (1) The calculation is based on the percentage of shareholding in Domestic Shares or H Shares respectively.
- (2) The calculation is based on the total number of 1,045,000,000 Domestic Shares in issue and 538,348,000 H Shares in issue as at the Latest Practicable Date.
- (3) Mr. Xiao Dongsheng and Mr. Shi Lei have been granted the awarded shares under the share award scheme of the Company adopted on 4 June 2020 (which has been terminated with effect from 26 August 2024) and/or 2021 Share Award Scheme. They are deemed to be interested in the issued share capital of the Company for the awarded Shares which have been granted to them pursuant to Part XV of the SFO. As at 31 December 2024, all of the awarded Shares to Mr. Xiao Dongsheng and Mr. Shi Lei under the above 2020 share award scheme were vested. As at 30 June 2025, all of the awarded Shares to Mr. Xiao Dongsheng and Mr. Shi Lei under the above 2021 Share Award Scheme were vested.
- (4) The letter “L” denotes a long position in the Shares.

(b) Interests of substantial shareholders in the securities of the Company

As at the Latest Practicable Date, save as disclosed below, so far as known to the Board, no persons (not being a director, supervisors or chief executive of the Company) had interests or short positions in the Shares or underlying shares and debenture of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of shares of the Company ⁽¹⁾	Approximate percentage of interest in the total share capital of the Company ⁽²⁾
Shan Weijian ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
PAG Capital Limited ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
PAG Asia Capital GP IV Limited ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
PAG Asia IV LP ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
PAG ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
Pacific Alliance Group Limited ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of shares of the Company ⁽¹⁾	Approximate percentage of interest in the total share capital of the Company ⁽²⁾
Falcon Holding GP Limited ⁽³⁾	Interest in controlled corporation	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Interest in controlled corporation	H Shares	137,265,505 (L)	25.50%	8.67%
Falcon Holding LP ⁽³⁾	Beneficial interest	Domestic Shares	992,854,500 (L)	95.01%	62.71%
	Beneficial interest	H Shares	137,265,505 (L)	25.50%	8.67%
Hwa-An International Limited	Beneficial interest	H Shares	34,909,000 (L)	6.46%	2.20%
Dragonstone Capital Management Limited	Investment manager	H Shares	31,808,000 (L)	5.91%	2.01%
CICFH New Dynamic Investment SPC	Beneficial interest	H Shares	29,705,000 (L)	5.52%	1.88%
Abu Dhabi Investment Authority ⁽⁴⁾	Interest in controlled corporation	H Shares	156,679,000 (L)	29.10%	9.90%
Platinum Peony B 2023 RSC Limited ⁽⁴⁾	Beneficial interest	H Shares	156,679,000 (L)	29.10%	9.90%
Shum Yip Investment & Development Company Limited	Interest in controlled corporation	H Shares	33,042,000 (L)	6.14%	2.09%
JinYi Capital Multi-Strategy Fund SPC Ltd.	Beneficial interest	H Shares	47,478,000 (L)	8.82%	3.00%

Notes:

- (1) The calculation is based on the percentage of shareholding in Domestic Shares or H Shares, respectively.
- (2) The calculation is based on the total number of 1,045,000,000 Domestic Shares in issue and 538,348,000 H Shares in issue.
- (3) PAG is directly owned as to 34.67% by Shan Weijian. PAG is indirectly interested in the Shares through its wholly-owned corporations in Pacific Alliance Group Limited, PAG Capital Limited, PAG Asia Capital GP IV Limited, PAG Asia IV LP, Falcon Holding GP Limited and Falcon Holding LP. Accordingly, Shan Weijian, PAG, Pacific Alliance Group Limited, PAG Capital Limited, PAG Asia Capital GP IV Limited, PAG Asia IV LP and Falcon Holding GP Limited are deemed to be indirectly interested in the 992,854,500 Domestic Shares and 137,265,505 H Shares held by Falcon Holding LP.

- (4) Platinum Peony B 2023 RSC Limited is wholly owned by Abu Dhabi Investment Authority. Accordingly, Abu Dhabi Investment Authority is deemed to be indirectly interested in 156,679,000 shares held by Platinum Peony B 2023 RSC Limited.
- (5) The letter “L” denotes a long position in the Shares.

(c) Interests discloseable under Schedule II of the Takeovers Code

As at the Latest Practicable Date:

- (1) the Company was not interested in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Offeror and the Company had not dealt for value in the shares or relevant securities of the Offeror during the Relevant Period;
- (2) save as disclosed under subsection (a) of this section and in the section headed “9. *INFORMATION ON THE OFFEROR AND THE COMPANY*” in the “LETTER FROM THE BOARD” in this Composite Document, none of the Directors was interested in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company or the Offeror, or had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company or the Offeror during the Relevant Period;
- (3) none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code owned or controlled any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company, or had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Relevant Period;
- (4) save for the Merger Agreement and the transactions contemplated thereunder, no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under definitions of the Takeovers Code, and none of such persons had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Relevant Period;
- (5) no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company were managed on a discretionary basis by fund managers connected with the Company, and none of them had dealt for value in any relevant securities in the Company during the Relevant Period;

- (6) Mr. Xiao Dongsheng and Mr. Shi Lei, being the Directors and holding approximately 0.20% and 0.09% of the issued Shares respectively, will vote in favour of the resolutions in relation to the Merger and the Rollover Arrangement at the EGM and the H Share Class Meeting; and
- (7) none of the Company or the Directors had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

5. DISCLOSURE OF INTERESTS IN THE SHARES BY THE OFFEROR

(a) Interests of the Offeror in the Company

As at the Latest Practicable Date,

- (1) the Offeror was wholly-owned by Falcon Holding. Mr. Zhu Lingjie was the sole director of the Offeror; and
- (2) the following parties acting in concert with the Offeror were interested in the Shares in the following manner:
 - (i) Falcon Holding, which directly and beneficially owns the entire equity interest of the Offeror, directly holds (i) 137,265,505 H Shares, representing approximately 25.50% of the total issued H Shares and approximately 8.67% of the total issued share capital of the Company, and (ii) 992,854,500 Domestic Shares, representing approximately 95.01% of the total issued Domestic Shares and approximately 62.71% of the total issued share capital of the Company;
 - (ii) Platinum Peony directly holds 156,679,000 H Shares, representing approximately 29.10% of the total issued H Shares and approximately 9.90% of the total issued share capital of the Company; and
 - (iii) Chelt directly holds 25,939,000 H Shares, representing approximately 4.82% of the total issued H Shares and approximately 1.64% of the total issued share capital of the Company.

(b) Interests discloseable under Schedule I to the Takeovers Code

As at the Latest Practicable Date:

- (1) the sole director of the Offeror was not interested (within the meaning of Part XV of the SFO) in any Shares or any convertible securities, warrants, options or derivatives in respect of the Shares;

- (2) save for the existing shareholding of the parties acting in concert with the Offeror as set out in the paragraph 5(a) of this appendix, none of the Offeror and its concert parties owned or had control or direction over any interests in the Shares, options, derivatives, warrants, other securities convertible into Shares, or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, excluding Shares held on behalf of non-discretionary investment clients of the CICC group (for the avoidance of doubt, members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code, are not considered to be concert parties of the Offeror);
- (3) save for the IU Shareholders whose shareholding in the Company is set out in the section headed “9. *INFORMATION ON THE OFFEROR AND THE COMPANY*” in the “LETTER FROM THE BOARD” in this Composite Document, no one who owned or controlled shares, convertible securities, warrants, options or derivatives in respect of the Shares had irrevocably committed to vote in favour of or against the resolutions at the H Share Class Meeting and/or at the EGM, or to accept or reject the Merger;
- (4) save for the Irrevocable Undertakings, the Merger Agreement and the transactions contemplated respectively thereunder, no person had any arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror and its concert parties;
- (5) there was no agreement or arrangement (other than the Merger Agreement and the transactions contemplated thereunder) to which the Offeror was a party which related to the circumstances in which the Offeror might or might not invoke or seek to invoke a condition of the Merger;
- (6) other than the Cancellation Price to be paid by the Offeror for every Share under the Merger, there was no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror and its concert parties to the Shareholders in connection with the cancellation of the Shares under the Merger;
- (7) save for the Irrevocable Undertakings, the confirmation letter issued by Platinum Peony to the Offeror and the confirmation letter issued by Falcon Holding to Platinum Peony, in each case as disclosed in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” in the “LETTER FROM THE BOARD” in this Composite Document and the Rollover Arrangement, there was no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii)(a) the Offeror and its concert parties or (b) the Company, its subsidiaries or associated companies as at the Latest Practicable Date;

- (8) none of the Offeror and its concert parties (except those which are exempt principal traders or exempt fund managers recognised by the Executive as such for the purpose of the Takeovers Code) had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22) in the Company;
- (9) none of the Offeror and its concert parties had dealt for value in any Shares, or any convertible securities, warrants, options or derivatives in respect of the Shares (excluding non-proprietary trades conducted by members of the CICC group for and on behalf of clients of the CICC group) during the Relevant Period (for the avoidance of doubt, members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code, are not considered to be concert parties of the Offeror); and
- (10) no person who had irrevocably committed themselves to vote their Shares in favour of the resolutions in respect of the Merger had dealt for value in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period.

6. ARRANGEMENTS IN CONNECTION WITH THE MERGER

(1) Arrangements affecting the Directors

As at the Latest Practicable Date:

- (i) no benefit (save for statutory compensation required under applicable laws) would be given to any Director as compensation for loss of office or otherwise in connection with the Merger;
- (ii) save for the Merger, there were no agreements or arrangements between any Director and any other person which was conditional on or dependent upon the outcome of the Merger or otherwise connected with the Merger; and
- (iii) there were no material contracts entered into by the Offeror in which any Director had a material personal interest.

(2) Arrangement with the Offeror in connection with the Merger

- (i) Save for the Irrevocable Undertakings, the confirmation letter issued by Platinum Peony to the Offeror and the confirmation letter issued by Falcon Holding to Platinum Peony, in each case as disclosed in the section headed “3. *PRINCIPAL TERMS OF THE MERGER AGREEMENT*” in the “LETTER FROM THE BOARD” in this Composite Document and the Rollover Arrangement, there was no agreement, arrangement or understanding (including any compensation

arrangement) between the Offeror and its concert parties on the one hand and any of the Directors, recent Directors, Shareholders or recent Shareholders on the other hand having any connection with or dependence upon the Merger.

- (ii) As at the Latest Practicable Date, the Offeror did not have any intention to transfer, charge or pledge any Shares acquired pursuant to the Merger to any other person.

7. MATERIAL CONTRACTS

Save for the Merger Agreement, there is no contract (being the contract not entered into in the ordinary course of business carried on or intended to be carried on by the Group) that has been entered into by the Company or any of its subsidiaries within two years immediately preceding the commencement of the Offer Period, up to and including the Latest Practicable Date, which is or may be material.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was pending or threatened by or against the Company or any of its subsidiaries.

9. EXPERTS' QUALIFICATIONS AND CONSENTS

The following are the names and qualifications of the experts whose letter, opinions or advice are contained or referred to in this Composite Document:

Name	Qualifications
CICC	The financial adviser to the Offeror in respect of the Merger, a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
Octal Capital Limited	The Independent Financial Adviser, a licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activity
Hong Kong Appraisal Advisory Limited	Independent property valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion therein of its opinions or reports, and the references to its name, opinions or reports in the form and context in which they respectively appear.

10. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed-term contracts) had been entered into, or amended within six months before the date of commencement of the Offer Period; (ii) was a continuous contract with a notice period of 12 months or more; (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period; or (iv) was not determinable by the Company within one year without payment of compensation (other than statutory compensation).

11. OTHER INFORMATION

- (1) The registered address of the Offeror is 101, No. 685 Dong Jiao Hai Village, Qiaorun Sub-district, Yanggu County, Liaocheng City, Shandong Province, the PRC.
- (2) The sole director of the Offeror is Mr. Zhu Lingjie.
- (3) The Offeror is wholly-owned by Falcon Holding, which is a limited partnership formed in the Cayman Islands. The registered office of Falcon Holding is at P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman, KY1-1106, Cayman Islands. The Hong Kong corresponding address office of Falcon Holding is at 33/F Three Pacific Place, 1 Queen's Road East, Hong Kong.
- (4) The general partner of Falcon Holding is Falcon Holding GP Limited. Falcon Holding GP Limited is a company incorporated in the Cayman Islands and is directly wholly-owned by PAG Capital Limited. The registered office of Falcon Holding GP Limited is at P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands. The directors of Falcon Holding GP Limited are Lincoln Lin Feng Pan, Gauravjit Singh and Koichi Ito. The Hong Kong corresponding address office of Falcon Holding GP Limited is at 33/F Three Pacific Place, 1 Queen's Road East, Hong Kong.
- (5) As at the Latest Practicable Date, the largest limited partner of Falcon Holding is PAG Fund IV. The general partner of PAG Fund IV is PAG Asia Capital GP IV Limited, being a company directly wholly-owned by PAG Capital Limited. The registered office of PAG Asia Capital GP IV Limited is at P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands. The directors of PAG Asia Capital GP IV Limited are Jon Robert Lewis, Derek Roy Crane, Noel Patrick Walsh and Mark Raymond Bennett. PAG Capital Limited is wholly-owned by Pacific Alliance Group Limited, which is in turn wholly-owned by PAG.

- (6) CICC is the financial adviser to the Offeror in relation to the Merger and its address is 29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong.
- (7) The registered office address of the Company is Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC and the principal place of business of the Company in Hong Kong is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.
- (8) As at the Latest Practicable Date, the Board comprised Mr. Xiao Dongsheng and Mr. Shi Lei as executive Directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive Directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors.
- (9) The address of the Independent Financial Adviser, Octal Capital, is 801–805, 8/F, Nan Fung Tower, 88 Connaught Road Central, Hong Kong.
- (10) In case of inconsistency, the English version of this Composite Document shall prevail over the Chinese version.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display (1) on the website of the Company at <https://www.fengxiang.com/>; and (2) on the website of the SFC at <https://www.sfc.hk/en/until> the date on which the Offer Period ends:

- (1) the Articles;
- (2) the articles of association of the Offeror;
- (3) the annual reports containing the financial statements of the Company for each of the financial years ended 31 December 2022, 2023 and 2024;
- (4) the Irrevocable Undertakings;
- (5) the letter from the Board, the full text of which is set out in this Composite Document from pages 10 to 39;
- (6) the letter from the Independent Board Committee, the full text of which is set out in this Composite Document on pages 40 to 41;
- (7) the letter from the Independent Financial Adviser, the full text of which is set out in this Composite Document from pages 42 to 75;
- (8) the property valuation report from Hong Kong Appraisal Advisory Limited, the full text of which is set out in Appendix II of this Composite Document;
- (9) the Merger Agreement;

- (10) the written consent referred to in the section headed “9. Experts’ Qualifications and Consents” in this Appendix III; and
- (11) this Composite Document.

NOTICE OF EXTRAORDINARY GENERAL MEETING



凤祥食品

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司) will be held at 9:30 a.m. on Thursday, 24 July 2025, at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC for the purpose of considering and, if thought fit, passing the following resolutions.

Save as defined otherwise, capitalised terms defined in the composite document (the “**Composite Document**”) dated 5 July 2025 jointly issued by the Company and Jingyu Enterprise Development (Shandong) Co., Ltd.* (菁裕企業發展(山東)有限公司) shall have the same meanings when used herein.

AS SPECIAL RESOLUTION

1. (a) To consider and, if thought fit, to approve, confirm and ratify the Merger Agreement dated 11 April 2025 entered into between the Company and the Offeror and the Merger and the transactions contemplated under the Merger Agreement.
- (b) To consider and, if thought fit, to approve that any Director be authorised to do all such acts and things, to sign and execute all such other documents, deeds and instruments, to make applications to the relevant regulatory authorities and to take such steps as he/she may consider necessary, appropriate, expedient and in the interest of the Company to give effect to and in connection with any transactions contemplated under the Merger Agreement.

AS ORDINARY RESOLUTION

2. To consider and, if thought fit, to approve, confirm and ratify the Rollover Arrangement, which constitutes a special deal under Rule 25 of the Takeovers Code.

By order of the Board
Shandong Fengxiang Co., Ltd.
Shi Lei
Executive director and company secretary

Shandong, the PRC, 5 July 2025

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Board comprises Mr. Xiao Dongsheng and Mr. Shi Lei as executive Directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive Directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors.

Notes:

- (A) As set out in the Composite Document, the Conditions to the effectiveness of the Merger Agreement include, among other things, (i) the special resolution in the EGM approving the Merger under the Merger Agreement is passed by a majority of more than two-thirds (2/3) of the votes cast by way of poll by the Shareholders present and voting in person or by proxy at the EGM; and (ii) the passing of an ordinary resolution by the Shareholders other than the Offeror, its concert parties and any other Shareholders who are involved or interested in the Rollover Arrangement (including Falcon Holding, Platinum Peony and Chelt) at the EGM to approve the Rollover Arrangement.

The Company's register of members will be closed from Monday, 21 July 2025 to Thursday, 24 July 2025 (both dates inclusive), during which no transfer of Shares will be registered. Shareholders whose names appear on the Company's register of members on Thursday, 24 July 2025 are entitled to attend and vote at the EGM. In order to qualify for attending and voting at the EGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) or to the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for Domestic Shareholders) for registration not later than 4:30 p.m. on Friday, 18 July 2025.

- (B) Each H Shareholder who has the right to attend and vote at the EGM (or at any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the EGM. A proxy of a Shareholder who has appointed more than one proxy may only vote on a poll.
- (C) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (D) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a certified copy of that power of attorney or other authority (such certification to be made by a notary public), must be delivered to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the EGM or any adjournment thereof.
- (E) Each Domestic Shareholders is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on its behalf at the EGM. Notes (C) to (D) also apply to Domestic Shareholders, except that the form of proxy or other documents of authority must be delivered to the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC, not less than 24 hours before the time for holding the EGM or any adjournment thereof in order for such documents to be valid.

NOTICE OF EXTRAORDINARY GENERAL MEETING

(F) If a proxy attends the EGM on behalf of a Shareholder, he should produce his identification document. If the legal representative of a legal person shareholder attends the EGM, such legal representative should produce his identification document and valid documents evidencing his capacity as such legal representative. If a legal person shareholder appoints a representative of the company other than its legal representative to attend the EGM, such representative should produce his identification document and an authorisation instrument affixed with the seal of the legal person shareholder and duly signed by its legal representative (except for a recognised clearing house as defined by relevant ordinances in force from time to time in accordance with Hong Kong laws and its proxies).

(G) Miscellaneous

i. It is expected that the EGM will last for half a day. All attending Shareholders shall arrange for their transportation and accommodation and shall bear all their own expenses in connection with their attendance.

ii. Details on the abovementioned resolutions to be considered and approved at the EGM are set out in the Composite Document dated 5 July 2025.

iii. The address of Computershare Hong Kong Investor Services Limited is:

Shops 1712–1716, 17th Floor,
Hopewell Centre 183 Queen's Road East,
Wan Chai Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990

iv. The address of the registered office and principal place of business of the Company is

Liumiao Village
Anle Town
Yanggu County
Liaocheng City
Shandong Province PRC
Tel: (86) 635 713 8018
Fax: (86) 635 713 6002 166

(H) References to dates and times in this notice are to Hong Kong dates and times.

* *For identification purposes only.*

NOTICE OF H SHARE CLASS MEETING



凤祥食品

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

NOTICE OF H SHARE CLASS MEETING

NOTICE IS HEREBY GIVEN that an H shareholder's class meeting (the "**H Share Class Meeting**") of Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司) will be held at 10:00 a.m. on Thursday, 24 July 2025, or immediately following the conclusion of the EGM or any adjournment thereof at 2nd Floor, Fengxiang Gufen Building, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC for the purpose of considering and, if thought fit, passing the following resolution.

Save as defined otherwise, capitalised terms defined in the composite document (the "**Composite Document**") dated 5 July 2025 jointly issued by the Company and Jingyu Enterprise Development (Shandong) Co., Ltd.* (菁裕企業發展(山東)有限公司) shall have the same meanings when used herein.

AS SPECIAL RESOLUTION

1. (a) To consider and, if thought fit, to approve, confirm and ratify the Merger Agreement dated 11 April 2025 entered into between the Company and the Offeror and the Merger and the transactions contemplated under the Merger Agreement.
- (b) To consider and, if thought fit, to approve that any Director be authorised to do all such acts and things, to sign and execute all such other documents, deeds and instruments, to make applications to the relevant regulatory authorities and to take such steps as he/she may consider necessary, appropriate, expedient and in the interest of the Company to give effect to and in connection with any transactions contemplated under the Merger Agreement.

By order of the Board
Shandong Fengxiang Co., Ltd.
Shi Lei
Executive director and company secretary

Shandong, the PRC, 5 July 2025

NOTICE OF H SHARE CLASS MEETING

As at the date of this notice, the Board comprises Mr. Xiao Dongsheng and Mr. Shi Lei as executive Directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive Directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors.

Notes:

- (A) As set out in the Composite Document, the Conditions to the effectiveness of the Merger Agreement include, among other things, the passing of special resolution(s) by way of poll approving the Merger under the Merger Agreement at the H Share Class Meeting to be convened for this purpose, provided that: (a) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and (b) the number of votes cast against the resolution(s) is not more than 10% of the votes attaching to all H Shares held by the Independent H Shareholders.
- (B) The Company's register of members will be closed from Monday, 21 July 2025 to Thursday, 24 July 2025 (both dates inclusive), during which no transfer of Shares will be registered. H Shareholders whose names appear on the Company's register of members on Thursday, 24 July 2025 are entitled to attend and vote at the H Share Class Meeting. In order to qualify for attending and voting at the H Share Class Meeting, all transfers of H Shares accompanied by the relevant share certificates must be lodged with the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Friday, 18 July 2025.
- (C) Each H Shareholder who has the right to attend and vote at the H Share Class Meeting (or at any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the H Share Class Meeting. A proxy of a Shareholder who has appointed more than one proxy may only vote on a poll.
- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a certified copy of that power of attorney or other authority (such certification to be made by a notary public), must be delivered to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the H Share Class Meeting or any adjournment thereof.
- (F) If a proxy attends the H Share Class Meeting on behalf of a Shareholder, he should produce his identification document. If the legal representative of a legal person shareholder attends the H Share Class Meeting, such legal representative should produce his identification document and valid documents evidencing his capacity as such legal representative. If a legal person shareholder appoints a representative of the company other than its legal representative to attend the H Share Class Meeting, such representative should produce his identification document and an authorisation instrument affixed with the seal of the legal person shareholder and duly signed by its legal representative (except for a recognised clearing house as defined by relevant ordinances in force from time to time in accordance with Hong Kong laws and its proxies).

NOTICE OF H SHARE CLASS MEETING

(G) Miscellaneous

- i. It is expected that the H Share Class Meeting will last for half a day. All attending H Shareholders shall arrange for their transportation and accommodation and shall bear all their own expenses in connection with their attendance.
- ii. Details on the abovementioned resolutions to be considered and approved at the H Share Class Meeting are set out in the Composite Document dated 5 July 2025.
- iii. The address of Computershare Hong Kong Investor Services Limited is:

Shops 1712–1716, 17th Floor,
Hopewell Centre 183 Queen's Road East,
Wan Chai Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990
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