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公司牌照號碼：C-030171

The Board of Directors  
**AustAsia Group Ltd.**  
400 Orchard Road  
#15-08  
Orchard Towers  
Singapore 238875

5 June 2025

Dear Sirs,

In accordance with your instructions to value the property interests held by **AustAsia Group Ltd.** (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) in the People’s Republic of China (the “**PRC**”) which constitute all of the property interests held by the Group, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 31 March 2024 (the “**valuation date**”).

Our valuation is carried out on a market value basis. Market value 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”.

Where, due to the nature of the buildings and structures of the properties, there are unlikely to be relevant market comparable sales readily available, the relevant property interests have been valued by the cost approach with reference to their depreciated replacement cost.

Depreciated replacement cost is defined as “the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization.” It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimization. In arriving at the value of the land portion, reference has been made to the sales evidence as available in the

locality. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In our valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; Rule 11 of the Code on Takeovers and Mergers issued by Securities and Futures Commission; the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy and all other relevant matters.

We have been shown copies of title documents including State-owned Land Use Rights Grant Contracts, Real Estate Title Certificates and Building Ownership Certificates and other official documents relating to the property interests in the PRC and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the legal opinion dated 30 April 2025 given by the Company's PRC Legal Adviser – Global Law Office, concerning the validity of the property interests in the PRC.

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

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects is satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out from in April 2025 by 3 technical staff including Joan Zhu, Queena Qiao and Stone Chen. They are China Land Valuer, China Real Estate Appraiser or have more than 8 years' experience in the valuation of properties.

Climate change, sustainability, resilience, and ESG are increasingly influencing investment approaches as they may affect prospects for rental and capital growth, and susceptibility to obsolescence. Properties that do not meet the sustainability characteristics expected in the market may represent a higher investment risk, particularly as occupiers become more conscious of ESG impacts on operational workspace, which could impact on vacancy and rental levels. This view is supported by RICS in their recently published guidance note "Sustainability and ESG in commercial property valuation and strategic advice (2nd Edition)."

While some of the sustainability and ESG initiatives are considered subjective and intangible, they cannot always be demonstrated with quantifiable evidence. Based on our research and local market knowledge, there is not yet any direct and tangible evidence of ESG being reflected in specific investment behaviours and/or pricing considerations for assets of a similar nature to the subject property, although it is acknowledged that ESG criteria is forming part of an increasing number of investment mandates. However more tangible benefits such as energy efficiency are realisable in operational costs. We have not undertaken full asset and market investigations in this regard. Whilst there is currently no direct and tangible evidence to suggest that the market is making pricing adjustments for ESG, we will continue to monitor market movements and sentiment.

As at the valuation date, unless otherwise stated, the monetary figures stated in our valuations are in Renminbi ("RMB") in respect of all the properties. The exchange rate adopted in our valuation is Hong Kong Dollar ("HKD") 1=Renminbi ("RMB") 0.9228.



As advised by the Group, the potential tax liabilities would arise on the disposal of the property interests in the PRC. The tax liabilities mainly comprise value-added tax at the rate of 9%, stamp duty at the rate of 0.05% of the contract price, land appreciation tax at progressive rates ranging from 30% to 60% on the appreciated amount (being the proceeds of sales of the property less deductible expenditure including costs of land, development and construction) and enterprise income tax at the rate of 25% on the gain.

In respect of the properties held and occupied by the Group for dairy farm, beef cattle feedlots and ancillary purposes, the likelihood of the relevant tax liabilities crystallizing is remote as the Group has no plans for the disposal of such properties yet.

Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,

For and on behalf of

**Jones Lang LaSalle Corporate Appraisal and Advisory Limited**

A handwritten signature in black ink, appearing to read "Eddie T. W. Yiu", with a stylized flourish at the end.

**Eddie T. W. Yiu**

*MHKIS, MRICS, R.P.S. (GP)*

*Senior Director*

*Note:* Eddie T.W. Yiu is a Chartered Surveyor who has 31 years' experience in the valuation of various sectors of the property industry in Hong Kong and experience in the PRC as well as relevant experience in the Asia-Pacific region.

## SUMMARY OF VALUES

### Property interests held by the Group in the PRC

No.	Property	Market value in existing state as at 31 March 2025 RMB	Interest attributable to the Group	Market value attributable to the Group as at 31 March 2025 RMB
1.	5 buildings and various structures of Dongying AustAsia Modern Dairy Farm located at the northern side of Guangqing Road, Dingzhuang Town, Guangrao County, Dongying City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
2.	20 buildings and various structures of Tai'an AustAsia Modern Dairy Farm located at the western side of Yiguo Road, the northern side of Zhangling Village, Bianyuan Town, Feicheng City, Tai'an City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
3.	18 buildings and various structures of Dongying Xianhe AustAsia Modern Dairy Farm located at the southern side of Zhendong Road, Xianhe Town, Hekou District, Dongying City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
4.	16 buildings and various structures of Dongying Shenzhou AustAsia Modern Dairy Farm located at the northern side of Zhendong Road, Xianhe Town, Hekou District, Dongying City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)

No.	Property	Market value in existing state as at 31 March 2025 RMB	Interest attributable to the Group	Market value attributable to the Group as at 31 March 2025 RMB
5.	23 buildings and various structures of Dongying Shenzhou AustAsia Modern Dairy Farm (Xinhu) located at Dongxing Village, Xinhu Town, Hekou District, Dongying City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
6.	A parcel of land, 5 buildings and various structures of Chifeng AustAsia Modern Dairy Farm located at Chagan Haote Gacha, Shao Gen Town, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	9,570,000 (Equivalent to HKD10,371,000) (Refer to the note)	100%	9,507,000 (Equivalent to HKD10,371,000) (Refer to the note)
7.	A parcel of land, 13 buildings and various structures of Chifeng AustAsia Modern Dairy Farm Zhagasitai Branch located at Dengjige Group, Tugu Rental Gacha, Zhagasitai Town, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	2,090,000 (Equivalent to HKD2,265,000) (Refer to the note)	100%	2,090,000 (Equivalent to HKD2,265,000) (Refer to the note)
8.	9 buildings and various structures of Chifeng AustAsia Modern Dairy Farm (Tongxi Branch) located at Tongxi Gacha, Balaqirude Sumu, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)

No.	Property	Market value in existing state as at 31 March 2025 RMB	Interest attributable to the Group	Market value attributable to the Group as at 31 March 2025 RMB
9.	11 buildings and various structures of Chifeng AustAsia Modern Dairy Farm (Beef Branch) located at Tongxi Gacha, Balaqirude Sumu, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
10.	15 buildings and various structures of Dongying AustAsia Beef Farm located at No. 168 North of Bingu Road and East of Tiao River, Hekou District, Dongying City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
11.	12 buildings and various structures of Pure Source Dairy Farm No. 1 located at Zhaoliulin Community, Yanbei Street, Qihe County, Dezhou City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
12.	11 buildings and various structures of Pure Source Dairy Farm No. 2 located at North of Shiliwu Village, Pandian Town, Qihe County, Dezhou City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)

No.	Property	Market value in existing state as at 31 March 2025 RMB	Interest attributable to the Group	Market value attributable to the Group as at 31 March 2025 RMB
13.	20 buildings and various structures of Pure Source Dairy Farm No. 3 located at South of Nanbei Community, Yanbei Street, Qihe County, Dezhou City, Shandong Province, the PRC	No commercial value (Refer to the note)	100%	No commercial value (Refer to the note)
14.	Shandong AustAsia Feed Farm located at the junction of Yongguan Road and Xi Wei San Road, Kenli District, Dongying City, Shandong Province, the PRC	91,290,000 (Equivalent to HKD98,927,000)	100%	91,290,000 (Equivalent to HKD98,927,000)
<b>Total:</b>		102,950,000 (Equivalent to HKD111,563,000)		102,950,000 (Equivalent to HKD111,563,000)

*Note:* We have attributed no commercial value to the whole / portions of the buildings and structures of properties due to the lack of Building Ownership Certificates and/or the properties in leased land nature. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings and structures of the properties would be RMB1,774,050,000 (equivalent to HKD1,922,464,000).



## THE COMPANY AND ITS SUBSIDIARIES

We listed all relevant companies and the equity interests as below:

Holding Entity	Abbreviation	Equity interests owned by the Company
AustAsia Group Ltd.	the Company	
Dongying AustAsia Modern Dairy Farm Co., Ltd. 東營澳亞現代牧場有限公司	DYAA	100%
Tai'an AustAsia Modern Dairy Farm Co., Ltd. 泰安澳亞現代牧場有限公司	TAAA	100%
Dongying Xianhe AustAsia Modern Dairy Farm Co., Ltd. 東營仙河澳亞現代牧場有限公司	DXAA	100%
Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. 東營神州澳亞現代牧場有限公司	DSAA	100%
Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. Xinhui Branch 東營神州澳亞現代牧場 有限公司新戶分公司	XHAA	100%
Chifeng AustAsia Modern Dairy Farm Co., Ltd. 赤峰澳亞現代牧場有限公司	CFAA	100%
Chifeng AustAsia Modern Dairy Farm Co., Ltd. Zhagaitai Branch 赤峰澳亞現代牧場有限公司紫 嘎斯台分公司	CAAA	100%
Chifeng AustAsia Modern Dairy Farm Co., Ltd. Tongxi Branch 赤峰澳亞現代牧場有限公司通希 分公司	TXAA	100%
Chifeng AustAsia Modern Dairy Farm Co., Ltd. Beef Branch 赤峰澳亞現代牧場有限公司通希分 公司(肉牛)	CFAB	100%
Dongying AustAsia Beef Co., Ltd. 東營澳亞肉牛 養殖有限公司	DYAB	100%
Pure Source Dairy Farm Co., Ltd. (No. 1 Farm) 醇源牧場有限公司(一牧)	PS1	100%
Pure Source Dairy Farm Co., Ltd. (No. 2 Farm) 醇源牧場有限公司(二牧)	PS2	100%
Pure Source Dairy Farm Co., Ltd. (No. 3 Farm) 醇源牧場有限公司(三牧)	PS3	100%
Shandong AustAsia Feed Technology Co., Ltd. 山東澳亞飼料科技有限公司	AAFT	100%

## VALUATION CERTIFICATE

### Property interests held by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
1.	5 buildings and various structures of Dongying AustAsia Modern Dairy Farm located at the northern side of Guangqing Road, Dingzhuang Town, Guangrao County, Dongying City, Shandong Province, the PRC	<p>The property comprises 5 buildings and various structures which were completed in various stages between 2009 and 2023.</p> <p>The 5 buildings have a total gross floor area of approximately 8,778.63 sq.m., mainly including a dormitory building, production workshops and ancillary buildings. The structures mainly include cowsheds, boundary walls, roads, pools, yards, hay sheds, and shelters.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 10 August 2009 entered into between Dongying AustAsia Modern Dairy Farm Co., Ltd. (東營澳亞現代牧場有限公司, "DYAA", a wholly-owned subsidiary of the Company) and the People's Government of Dingzhuang Town, Guangrao County (廣饒縣丁莊鎮人民政府), the land use rights of a parcel of land with a site area of approximately 506,660.20 sq.m. (760 Mu), on which the property is erected, were leased to DYAA for a term of 40 years commencing from 10 August 2009 at an annual rental of approximately RMB200 per year per Mu as at the valuation date.
2. Pursuant to a Building Ownership Certificate – Dong Ying Shi Fang Quan Zheng Guang Rao Xian Zi Di Ding Zhuang No. 20090005, 5 buildings with a total gross floor area of approximately 988.63 sq.m. (including 2 buildings of the property) are owned by DYAA. As advised by DYAA, among which, 3 buildings with a total gross floor area of approximately 671.56 sq.m. had been demolished up to the valuation date.
3. There are another 3 buildings with a total gross floor area of approximately 8,461.56 sq.m. erected on the subject land. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 9 buildings and the structures as at the valuation date would be RMB72,360,000 (equivalent to HKD78,414,000).
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract mentioned in note 1 is legal and valid. DYAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. DYAA legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and DYAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. DYAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
2.	20 buildings and various structures of Tai'an AustAsia Modern Dairy Farm located at the western side of Yiguo Road, the northern side of Zhangling Village, Bianyuan Town, Feicheng City, Tai'an City, Shandong Province, the PRC	<p>The property comprises 20 buildings and various structures which were completed in various stages between 2012 and 2023.</p> <p>The 20 buildings have a total gross floor area of approximately 22,197.77 sq.m., mainly including 2 dormitory buildings, various production workshops, warehouses and ancillary buildings. The structures mainly include cowsheds, boundary walls, roads, pools, yards and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 16 February 2011 entered into among the People's Government of Bianyuan Town, Feicheng City (肥城市邊院鎮人民政府, "Party A"), AustAsia Group Investment Holdings PTE Ltd. (澳亞集團投資控股有限公司, "AAGI", a wholly-owned subsidiary of the Company, "Party B") and Feicheng Municipal People's Government (肥城市人民政府, "Party C"), the land use rights of a parcel of land with a site area of approximately 866,671.00 sq.m. (1,300 Mu), and the total area was found to be 1,331.46 Mu after the actual measurement, on which the property is erected, were leased to Tai'an AustAsia Modern Dairy Farm Co., Ltd (泰安澳亞現代牧場有限公司, "TAAA", a wholly-owned subsidiary of the Party B) for a term of 40 years commencing from 16 March 2011 at a total annual rental of approximately RMB1,000 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 20 buildings and the structures as at the valuation date would be RMB86,390,000 (equivalent to HKD93,617,000).
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. Except for the validity of portions of the leased land totaling approximately 247.168 Mu which cannot be judged, the remaining portions under the Land Lease Contract mentioned in note 1 are legal and valid. TAAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. TAAA legitimately holds the ownerships of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and TAAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. TAAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
3.	18 buildings and various structures of Dongying Xianhe AustAsia Modern Dairy Farm located at the southern side of Zhendong Road, Xianhe Town, Hekou District, Dongying City, Shandong Province, the PRC	<p>The property comprises 18 buildings and various structures which were completed in various stages between 2012 and 2023.</p> <p>The 18 buildings have a total gross floor area of approximately 11,527.48 sq.m., mainly including various offices, dormitory buildings, production workshops, warehouses and ancillary buildings. The structures mainly include cowsheds, boundary walls, roads, pools, yards and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 16 October 2012 and a Supplementary Contract entered into among Dongying Municipal Bureau of Land and Resources Hekou Branch (東營市國土資源局河口分局, “Party A”), Dongying Xianhe AustAsia Modern Dairy Farm Co., Ltd. (東營仙河澳亞現代牧場有限公司, “DXAA”, a wholly-owned subsidiary of the Company, “Party B”), Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. (東營神州澳亞現代牧場有限公司, “DSAA”, a wholly-owned subsidiary of the Company, “Party C”) and the People’s Government of Hekou District, Dongying City (東營市河口區人民政府, “Party D”), the land use rights of a parcel of land with a site area of approximately 1,102,000.00 sq.m. (1,653 Mu), on which the property is erected, were leased to Party B and Party C for a term of 40 years commencing from 14 April 2011 at a total annual rental of approximately RMB240 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 18 buildings and the structures as at the valuation date would be RMB111,490,000 (equivalent to HKD120,817,000).
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract and Supplementary Contract mentioned in note 1 are legal and valid. DXAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. DXAA legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and DXAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. DXAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
4.	16 buildings and various structures of Dongying Shenzhou AustAsia Modern Dairy Farm located at the northern side of Zhendong Road, Xianhe Town, Hekou District, Dongying City, Shandong Province, the PRC	<p>The property comprises 16 buildings and various structures which were completed in various stages between 2013 and 2024.</p> <p>The 16 buildings have a total gross floor area of approximately 13,911.14 sq.m., mainly including an office building, various dormitory buildings, production workshops and ancillary buildings. The structures mainly include cowsheds, boundary walls, roads, pools, yards and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 20 March 2013 entered into among Dongying Municipal Bureau of Land and Resources Hekou Branch (東營市國土資源局河口分局, “Party A”), Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. (東營神州澳亞現代牧場有限公司, “DSAA”, a wholly-owned subsidiary of the Company, “Party B”) and the People’s Government of Hekou District, Dongying City (東營市河口區人民政府, “Party C”), the land use rights of a parcel of land with a site area of approximately 1,008,005.04 sq.m. (1,512 Mu), on which the property is erected, were leased to Party B for a term of 40 years commencing from 14 April 2013 at a total annual rental of approximately RMB240 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 16 buildings and the structures as at the valuation date would be RMB72,360,000 (equivalent to HKD78,414,000).
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract mentioned in note 1 is legal and valid. DSAA has the rights to use the land according to the terms stipulated in the Land Lease Contracts;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. DSAA legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and DSAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. DSAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
5.	23 buildings and various structures of Dongying Shenzhou AustAsia Modern Dairy Farm (Xinhu) located at Dongxing Village, Xinhu Town, Hekou District, Dongying City, Shandong Province, the PRC	<p>The property comprises 23 buildings and various structures which were completed in various stages between 2014 and 2024.</p> <p>The 23 buildings have a total gross floor area of approximately 11,091.00 sq.m., mainly including a composite building, 2 office buildings, 2 dormitory buildings, various production workshops and ancillary buildings. The structures mainly include cowsheds, boundary walls, roads, pools, yards and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated June 2014 and a Supplementary Contract entered into among the People's Government of Xinhu Town, Hekou District, Dongying City (東營市河口區新戶鎮人民政府, "Party A"), Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. (東營神州澳亞現代牧場有限公司, "DSAA", a wholly-owned subsidiary of the Company) ("Party B") and the People's Government of Hekou District, Dongying City (東營市河口區人民政府, "Party C"), the land use rights of a parcel of land with a site area of approximately 1,536,054.35 sq.m. (2,304.07 Mu), on which the property is erected, were leased to Dongying Shenzhou AustAsia Modern Dairy Farm Co., Ltd. Xinhu Branch (東營神州澳亞現代牧場有限公司新戶分公司, "XHAA", a wholly-owned subsidiary of the Party B) for a term of 40 years commencing from 1 January 2014 at a total annual rental of approximately RMB823 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 23 buildings and the structures as at the valuation date would be RMB98,190,000 (equivalent to HKD106,404,000).
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract and Supplementary Contract mentioned in note 1 are legal and valid. XHAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. XHAA legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and XHAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. XHAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
6.	A parcel of land, 5 buildings and various structures of Chifeng AustAsia Modern Dairy Farm located at Chagan Haote Gacha, Shao Gen Town, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises a parcel of land with a site area of approximately 9,413.37 sq.m. and a dormitory building with a gross floor area of approximately 4,411.78 sq.m. which was completed in 2015.</p> <p>The land use rights of the property have been granted for a term expiring on 23 September 2069 for industrial use.</p> <p>The remaining 4 buildings have a total gross floor area of approximately 10,527 sq.m., which comprises 2 production workshops, a guard room and an ancillary building and the structures that mainly include boundary walls, roads, pools, yards and hay sheds are completed in various stages between 2015 and 2024 and are all erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for cattle breeding and ancillary purposes.	9,570,000 (equivalent to HKD10,371,000) (refer to note 4)

*Notes:*

- Pursuant to a State-owned Land Use Rights Grant Contract – 2019-033 dated 25 August 2019, the land use rights of a parcel of land with a site area of approximately 9,413.37 sq.m. were contracted to be granted to Chifeng AustAsia Modern Dairy Farm Co., Ltd. (赤峰澳亞現代牧場有限公司, “CFAA”, a wholly-owned subsidiary of the Company) for a term of 50 years for industrial use commencing from the land delivery date. The land premium was RMB590,000.
- Pursuant to a Real Estate Title Certificate – Meng (2022) A Lu Ke Er Qin Qi Bu Dong Chan Quan Di No. 0005789, the land use rights of a parcel of land of the property with a site area of approximately 9,413.37 sq.m. have been granted to CFAA for a term with the expiry date on 23 September 2069 for industrial use. A dormitory building of the property with a gross floor area of approximately 4,411.78 sq.m. is owned by CFAA.
- Pursuant to a Land Lease Contract dated 18 July 2014 and a Supplementary Contract entered into the People’s Government of Shao Gen Town, Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗紹根鎮人民政府, “Party A”), CFAA (“Party B”) and the People’s Government of Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗人民政府, “Party C”), the land use rights of a parcel of land with a site area of approximately 1,013,618.40 sq.m. (1,520.4 Mu), on which 4 buildings and various structures are erected, were leased to CFAA for a term of 32 years commencing from 1 August 2014 at an annual rental of approximately RMB50 per year per Mu.
- In the valuation of this property, we have attributed no commercial value to 4 buildings with a total gross floor area of approximately 10,527 sq.m. and various structure of the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of them as at the valuation date would be RMB153,280,000 (equivalent to HKD166,103,000).

5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
- a. The State-owned Land Use Rights Grant Contract signed by CFAA mentioned in note 1 is legal and valid. CFAA has obtained and holds the aforementioned land use rights of state-owned construction land through the granting process, and has fully paid the required land premium. Therefore, its rights and interests are protected by the PRC laws;
  - b. The Land Lease Contract mentioned in note 3 is legal and valid. CFAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - c. CFAA legally possesses ownership rights of the building of the property mentioned in note 2 and has the legal rights to occupy, use, or dispose of them through other legitimate means;
  - d. According to the then-effective Notice on Further Supporting the Healthy Development of Facility Agriculture (Guotu Zi Fa 2014 No. 127), the buildings and structures of the property erected on leased land were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by local authorities. CFAA legitimately holds the ownership rights of the buildings of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and CFAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage;
  - e. CFAA has obtained portions of state-owned land use rights and building ownership rights of the property; and
  - f. CFAA legally and validly in possession of portions of the building ownership rights of the property. CFAA has the rights to occupy, use or otherwise dispose of the building ownership rights of the property mentioned in note 2.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
7.	A parcel of land, 13 buildings and various structures of Chifeng AustAsia Modern Dairy Farm Zhagasitai Branch located at Dengjige Group, Tugu Rental Gacha, Zhagasitai Town, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises a parcel of land with a site area of approximately 9,343.89 sq.m. and a dormitory building with a gross floor area of approximately 4,610.75 sq.m. which was completed in 2016.</p> <p>The land use rights of the property have been granted for a term expiring on 22 September 2069 for industrial use.</p> <p>The remaining 12 buildings have a total gross floor area of approximately 10,602.46 sq.m., which mainly include a production workshop, 3 guard rooms and ancillary buildings and the structures that mainly include boundary walls, roads, pools, yards and hay sheds are completed in various stages between 2016 and 2022 and are all erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for cattle breeding and ancillary purposes.	2,090,000 (equivalent to HKD2,265,000) (refer to note 4)

*Notes:*

- Pursuant to a State-owned Land Use Rights Grant Contract – 2019-034 dated 25 August 2019, the land use rights of a parcel of land with a site area of approximately 9,343.89 sq.m. were contracted to be granted to Chifeng AustAsia Modern Dairy Farm Co., Ltd. Zhagasitai Branch (赤峰澳亞現代牧場有限公司紫嘎斯台分公司, “CAAA”, a wholly-owned subsidiary of the Company) for a term of 50 years for industrial use commencing from the land delivery date. The land premium was RMB580,000.
- Pursuant to a Real Estate Title Certificate – Meng (2023) A Lu Ke Er Qin Qi Bu Dong Chan Quan Di No. 0011379, the land use rights of a parcel of land of the property with a site area of approximately 9,343.89 sq.m. have been granted to CAAA for a term with the expiry date on 22 September 2069 for industrial use. Portion of a dormitory building with a total gross floor area of approximately 699.71 sq.m. is owned by CAAA.
- Pursuant to a Land Lease Contract dated 12 July 2014 and a Supplementary Contract entered into the People’s Government of Zhagasitai Town, Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗紫嘎斯台鎮人民政府, “Party A”), CAAA (“Party B”) and the People’s Government of Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗人民政府, “Party C”), the land use rights of a parcel of land with a site area of approximately 1,607.846 Mu, on which portion of the property is erected, were leased to CAAA for a term of 32 years commencing from 1 August 2014 at an annual rental of approximately RMB50 per year per Mu for grassland and RMB170 per year per Mu for irrigated land.

4. In the valuation of this property, we have attributed no commercial value to the remaining portion of the dormitory building with a gross floor area of approximately 3,911.04 sq.m. of the property due to lack of Building Ownership Certificates and 12 buildings with a total gross floor area of approximately 10,602.46 sq.m. and various structures of the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of them as at the valuation date would be RMB147,420,000 (equivalent to HKD159,753,000).
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. The State-owned Land Use Rights Grant Contract signed by CAAA mentioned in note 1 is legal and valid. CAAA has obtained and holds the aforementioned land use rights of state-owned construction land through the granting process, and has fully paid the required land premium. Therefore, its rights and interests are protected by the PRC laws;
  - b. The Land Lease Contract mentioned in note 3 is legal and valid. CAAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - c. CAAA faces several risks for the portions of a building of the property with a total gross floor area of approximately 3,911.04 sq.m. (mentioned in note 4) of unauthorized construction that extends beyond the planned land use area, including potential fines from regulatory authorities, orders for demolition within a specified timeframe, confiscation of the structure or illegal income, and demands to restore the land to its original condition. Up to the date of legal opinion, CAAA has not received any administrative penalties from the competent authorities due to the aforementioned construction. According to the confirmation from the Group, the aforementioned building is designated for dormitory use and the risk of it being subject to administrative penalties that could have a significant adverse impact on the Group's operations is minimal;
  - d. For the remaining portions of buildings and structures of the property, According to the relevant documents issued by local authorities, these buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. CAAA legitimately holds the ownership rights of them, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and CAAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage;
  - e. CAAA has obtained portions of state-owned land use rights and building ownership rights of the property; and
  - f. CAAA is legally and validly in possession of the building ownership rights of portions of a building of the property as mentioned in note 2 and has the rights to occupy, use or otherwise dispose of these portions' ownership rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
8.	9 buildings and various structures of Chifeng AustAsia Modern Dairy Farm (Tongxi Branch) located at Tongxi Gacha, Balaqirude Sumu, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises 9 buildings and various structures which were completed in various stages between 2020 and 2023.</p> <p>The 9 buildings have a total gross floor area of approximately 15,899.81 sq.m., mainly including a warehouse, an office building, a composite building, a basketball hall, a locker room and various production workshops. The structures mainly include boundary walls, roads, feed storage warehouses, cowsheds, substations and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 1 July 2019 and a Supplementary Contract entered into among the People's Government of Balaqirude Sumu, Chifeng City (赤峰市巴拉奇如德蘇木人民政府, "Party A"), Chifeng AustAsia Modern Dairy Farm Co., Ltd. Tongxi Branch (赤峰澳亞現代牧場有限公司通希分公司, "TXAA", a wholly-owned subsidiary of the Company, "Party B"), and the People's Government of Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗人民政府, "Party C"), the land use rights of a parcel of land with a site area of approximately 1,209,339.38 sq.m. (around 1,814 Mu), on which the property is erected, were leased to Party B for a term of 38 years commencing from 1 August 2019 at a total annual rental of approximately RMB60 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 9 buildings and the structures as at the valuation date would be RMB184,460,000 (equivalent to HKD199,892,000).
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract mentioned in note 1 is legal and valid. TXAA has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. Except for the buildings erected on portions of leased land with a total site area of approximately 14.42 Mu, the relevant procedures for changing the land use from grassland to construction land have not yet been completed. For the remaining buildings and structures, according to the relevant documents issued by local authorities, these buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. TXAA legitimately holds the ownership rights of them, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and TXAA is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. TXAA has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
9.	11 buildings and various structures of Chifeng AustAsia Modern Dairy Farm (Beef Branch) located at Tongxi Gacha, Balaqirude Sumu, Ar Horqin Banner, Chifeng City, Inner Mongolia Autonomous Region, the PRC	<p>The property comprises 11 buildings and various structures which were completed in various stages between 2020 and 2022. The 11 buildings have a total gross floor area of approximately 4,916.82 sq.m., mainly including an office building, a dormitory building and various ancillary buildings. The structures mainly include boundary walls, roads, feed storage warehouses, cowsheds, substations and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 1 July 2019 entered into among the People's Government of Balaqirude Sumu, Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗巴拉奇如德蘇木人民政府, "Party A"), Chifeng AustAsia Modern Dairy Farm Co., Ltd. Beef Branch (赤峰澳亞現代牧場有限公司通希分公司(肉牛), "CFAB", a wholly-owned subsidiary of the Company, "Party B") and the People's Government of Ar Horqin Banner, Chifeng City (赤峰市阿魯科爾沁旗人民政府, "Party C"), the land use rights of a parcel of land with a site area of approximately 672,986.70 sq.m. (around 1,009 Mu), on which the property is erected, were leased to Party B for a term of 38 years commencing from 1 August 2019 at a total annual rental of approximately RMB60 per year per Mu as at the valuation date.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 11 buildings and the structures as at the valuation date would be RMB115,940,000 (equivalent to HKD125,639,000).
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract mentioned in note 1 is legal and valid. CFAB has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. Except for the buildings erected on portions of leased land with a total site area of approximately 9.48 Mu, the relevant procedures for changing the land use from grassland to construction land have not yet been completed. For the remaining buildings and structures, according to the relevant documents issued by local authorities, these buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. CFAB legitimately holds the ownership rights of them, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and CFAB is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. CFAB has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
10.	15 buildings and various structures of Dongying AustAsia Beef Farm located at No. 168 North of Bingu Road and East of Tiao River, Hekou District, Dongying City, Shandong Province, the PRC	<p>The property comprises 15 buildings and various structures which were completed in various stages between 2014 and 2024.</p> <p>The 15 buildings have a total gross floor area of approximately 5,182.42 sq.m., mainly including an office building, a dormitory building, a warehouse, various boiler rooms and ancillary buildings. The structures mainly include boundary walls, roads, pools, cowsheds and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 15 March 2013 and a Supplementary Contract entered into among Dongying Municipal Bureau of Land and Resources of Hekou Branch (東營市國土資源局河口分局, “Party A”), Dongying AustAsia Beef Co., Ltd. (東營澳亞肉牛養殖有限公司, “DYAB”, a wholly-owned subsidiary of the Company, “Party B”) and the People’s Government of Hekou District, Dongying City (東營市河口區人民政府, “Party C”), the land use rights of a parcel of land with a site area of approximately 2,094,666.67 sq.m. (3,142 Mu), on which the property is erected, were leased to DYAB for a term of 40 years commencing from 31 March 2013. The rental rate is RMB260 per year per Mu for the first to third years of the lease term, RMB370 per year per Mu for the fourth and fifth years, and will be increased by 15% every five years starting from the sixth year.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 15 buildings and the structures as at the valuation date would be RMB111,320,000 (equivalent to HKD120,633,000).
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. The Land Lease Contract mentioned in note 1 is legal and valid. DYAB has the rights to use the land according to the terms stipulated in the Land Lease Contract;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. DYAB legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and DYAB is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. DYAB has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
11.	12 buildings and various structures of Pure Source Dairy Farm No. 1 located at Zhaoliulin Community, Yanbei Street, Qihe County, Dezhou City, Shandong Province, the PRC	<p>The property comprises 12 buildings and various structures which were completed in various stages between 2016 and 2023.</p> <p>The 12 buildings have a total gross floor area of approximately 9,269.25 sq.m., mainly including various office buildings, various dormitory buildings and various ancillary buildings. The structures mainly include boundary walls, roads, pools, cowsheds and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 15 January 2016 and Supplementary Contracts entered into between Yan Bei Subdistrict Office, Qihe County, Dezhou City, Shandong Province (山東省德州市齊河縣晏北街道辦事處) and Pure Source Dairy Farm Co., Ltd. (醇源牧場有限公司(一牧), “PS1”, a wholly-owned subsidiary of the Company), the land use rights of a parcel of land with a site area of approximately 875.8 Mu (583,866.66 sq.m.), on which the property is erected, were leased to PS1 for a term of 30 years commencing from 15 January 2016. The standard of the fee for the first five lease years is RMB1,350 per Mu per lease year, and afterwards, every five lease years within the lease period it will be adjusted based on the consumer price index for the same period.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 12 buildings and the structures as at the valuation date would be RMB96,820,000 (equivalent to HKD104,920,000).
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. For portions of leased land with a total site area of 285.5 Mu mentioned in note 1, PS1 has not provided documents showing that the lease was approved by a vote in the relevant village committee meeting. The risk of significant adverse effects on the PS1’s operations, due to questions raised by relevant villagers regarding PS1’s rights to use the aforementioned land, is relatively low. For the remaining portions of leased land mentioned in note 1, regarding the lease term of PS1 that extends beyond the villagers’ contracting period, Yan Bei Subdistrict Office shall facilitate the reissuance of documents by each village committee and individual villagers, expressing their consent to lease the land to Yan Bei Subdistrict Office and subsequently sublease it to PS1, once new land contracting and management rights have been granted upon the expiration of the initial contracting period;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. PS1 legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and PS1 is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. PS1 has not obtained any state-owned land use rights of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
12.	11 buildings and various structures of Pure Source Dairy Farm No. 2 located at North of Shiliwu Village, Pandian Town, Qihe County, Dezhou City, Shandong Province, the PRC	<p>The property comprises 11 buildings and various structures which were completed in various stages between 2017 and 2023.</p> <p>The 11 buildings have a total gross floor area of approximately 8,350.76 sq.m., mainly including an office building, various dormitory buildings, production buildings and ancillary buildings. The structures mainly include boundary walls, roads, pools, cowsheds and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 12 January 2016 and Supplementary Contracts entered into among the People's Government of Pandian Town, Qihe County, Dezhou City, Shandong Province (山東省德州市齊河縣潘店鎮政府, "Party A"), Falcon Dairy Holdings Limited (獵鷹乳業控股有限公司, "Party B") and Pure Source Dairy Farm Co., Ltd. (No. 2 Farm) (醇源牧場有限公司(二牧), "PS2", a wholly-owned subsidiary of the Company, "Party C"), the land use rights of a parcel of land with a site area of approximately 852,208.88 sq.m. (1,278.31 Mu), on which the property is erected, were leased from Party A to PS2 for a term of 30 years commencing from 15 February 2016. The standard of the fee for the first five lease years is RMB1,350 per Mu per lease year, and afterwards, every five lease years within the investment period it will be adjusted based on the consumer price index for the same period.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 11 buildings and the structures as at the valuation date would be RMB127,880,000 (equivalent to HKD138,578,000).
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal adviser, which contains, inter alia, the following:
  - a. For the leased land mentioned in note 1, regarding the lease term of PS2 that extends beyond the villagers' contracting period, the People's Government of Pandian Town shall facilitate the reissuance of documents by each village committee and individual villagers, expressing their consent to lease the land to the People's Government of Pandian Town and subsequently sublease it to PS2, once new land contracting and management rights have been granted upon the expiration of the initial contracting period;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. PS2 legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and PS2 is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. PS2 has not obtained any state-owned land use rights of the property.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
13.	20 buildings and various structures of Pure Source Dairy Farm No. 3 located at South of Nanbei Community, Yanbei Street, Qihe County, Dezhou City, Shandong Province, the PRC	<p>The property comprises 20 buildings and various structures which were completed in various stages between 2022 and 2024.</p> <p>The 20 buildings have a total gross floor area of approximately 26,655.29 sq.m., mainly including an office building, various dormitory buildings, production buildings and ancillary buildings. The structures mainly include boundary walls, roads, pools, cowsheds and hay sheds.</p> <p>The property is erected on a parcel of leased land.</p>	As at the valuation date, the property was occupied by the Group for office, dormitory, production, cattle breeding and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Land Lease Contract dated 21 September 2017 and Supplementary Contracts entered into among Yanbei Subdistrict Office, Qihe County, Shandong Province (山東省齊河縣晏北街道辦事處, “Party A”), the People’s Government of Qihe County, Shandong Province (山東省齊河縣人民政府, “Party B”) and Pure Source Dairy Farm Co., Ltd. (No. 3 Farm) (醇源牧場有限公司(三牧), “PS3”, a wholly-owned subsidiary of the Company, “Party C”), the land use rights of a parcel of land with a site area of approximately 2,334.56 Mu., on which the property is erected, were leased to PS3 for a term of 26 years commencing from 31 May 2022. The standard of the fee for the first five lease years is RMB1,350 per Mu per lease year, and afterwards, every five lease years within the lease period it will be adjusted based on the consumer price index for the same period.
2. In the valuation of this property, we have attributed no commercial value to the property due to the leased land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of the 20 buildings and the structures as at the valuation date would be RMB396,140,000 (equivalent to HKD429,280,000).
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. For the leased land mentioned in The Land Lease Contract in note 1, PS3 has not provided documents showing that the lease was approved by a vote in the relevant village committee meeting. The risk of significant adverse effects on PS3’s operations, due to questions raised by relevant villagers regarding PS3’s right to use the aforementioned land, is relatively low;
  - b. According to the relevant documents issued by local authorities, the buildings and structures of the property were classified as production facilities and ancillary facilities constructed on facility agricultural land. Also, the facility agricultural land project has been approved for record-filing by the local authorities. PS3 legitimately holds the ownership rights of the buildings and structures of the property, with its rights and interests fully protected under PRC laws. There are no existing property disputes, and PS3 is authorized to occupy and utilize these buildings and structures in accordance with their designated usage; and
  - c. PS3 has not obtained any state-owned land use rights of the property.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date RMB
14.	Shandong AustAsia Feed Farm located at the junction of Yongguan Road and Xi Wei San Road, Kenli District, Dongying City, Shandong Province, the PRC	<p>The property comprises a parcel of land with a site area of approximately 66,645.50 sq.m. and 12 buildings and various structures which were completed in June 2023.</p> <p>The 12 buildings have a total gross floor area of approximately 32,734.90 sq.m., mainly including an office building, a dormitory building, a guard room, 4 warehouses, a boiler room, a pump house and ancillary buildings. The structures mainly include boundary walls, roads, pools, yards and sheds.</p> <p>The land use rights of the property have been granted for a term expiring on 9 August 2071 for industrial use.</p>	As at the valuation date, the property was occupied by the Group for office, warehouse and ancillary purposes.	91,290,000 (equivalent to HKD98,927,000)

*Notes:*

1. Pursuant to a State-owned Land Use Rights Grant Contract – Ken Li-01-2021-19 dated 10 August 2021, the land use rights of a parcel of land with a site area of approximately 66,645.50 sq.m. were contracted to be granted to Shandong AustAsia Feed Technology Co., Ltd. (山東澳亞飼料科技有限公司, “AAFT”, a wholly-owned subsidiary of the Company) for a term of 50 years for industrial use commencing from the land delivery date. The land premium was RMB13,270,000.
2. Pursuant to a Real Estate Title Certificate – Lu (2023) Ken Li Bu Dong Chan Quan Di No. 0012720, the land use rights of the property with a site area of approximately 66,645.50 sq.m. have been granted to AAFT for a term with the expiry date on 9 August 2071 for industrial use. The buildings of the property with a total gross floor area of approximately 32,734.90 sq.m. are owned by AAFT.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal adviser, which contains, inter alia, the following:
  - a. The State-owned Land Use Rights Grant Contract signed by AAFT mentioned in note 1 is legal and valid. AAFT has obtained and holds the aforementioned land use rights of state-owned construction land through the granting process, and has fully paid the required land premium. Therefore, its rights and interests are protected by the PRC laws;
  - b. The land use rights and the building ownership rights have been mortgaged for a period commencing from 13 June 2022 and expiring on 31 June 2028; and
  - c. AAFT is legally and validly in possession of the building ownership rights of the property. AAFT has the rights to occupy, use or otherwise dispose of the building ownership rights of the property mentioned in note 2.