

30 June 2026

To: The independent board committee of China Shengmu Organic Milk Limited

Dear Sir / Madam,

**MANDATORY CONDITIONAL CASH OFFER
BY CLSA LIMITED
FOR AND ON BEHALF OF CHINA MODERN DAIRY HOLDINGS LTD.
TO ACQUIRE ALL THE ISSUED SHARES OF
CHINA SHENGMU ORGANIC MILK LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED
BY CHINA MODERN DAIRY HOLDINGS LTD. AND START GREAT)**

INTRODUCTION

We refer to our appointment as the CSM Independent Financial Adviser to advise the CSM Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document dated 30 June 2026 jointly issued by CMD and CSM to the Offer Shareholders, of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

On 30 October 2025 (after trading hours), each Selling Shareholder and CMD entered into a Share Purchase Agreement, pursuant to which the relevant Selling Shareholder conditionally agreed to sell, and CMD conditionally agreed to purchase, the respective Sale Shares held by such Selling Shareholder. The aggregate number of Sale Shares is 107,200,000 CSM Shares, representing approximately 1.28% of the total share capital of CSM as at the date of the Share Purchase Agreements, and the total Consideration amounted to HK\$37,520,000 in cash (i.e. HK\$0.35 per Sale Share).

Prior to the SPA Completion, CMD and parties acting in concert with it own 2,513,178,555 CSM Shares, representing approximately 29.99% of the total issued share capital of CSM. Immediately following the SPA Completion under any of the Share Purchase Agreements (which took place on 22 May 2026), CMD and parties acting in concert with it held in aggregate 30% or more of the total issued share capital of CSM. CMD is required under Rule 26.1 of the Takeovers Code to make an Offer for all the Offer Shares, being all the issued CSM Shares not already owned or agreed to be acquired by CMD and Start Great. CLSA Limited is making the Offer on behalf of CMD and in compliance with the Takeovers Code.

The CSM Independent Board Committee comprising all the non-executive directors of CSM who have no direct or indirect interest in the Offer, namely Mr. Sun Qian, Ms. Shao Lijun, Mr. Wang Liyan, Mr. Wu Liang and Mr. Sun Yansheng (Mr. Chen Yiyi is a director of CMD, Mr. Zhang Ping is a former director of CMD and Mr. Bai Fengming is also an employee of the Mengniu Group (the controlling shareholder of CMD) and they are not considered as independent for the purpose of the Takeovers Code and do not form part of the CSM Independent Board Committee), has been established by the CSM Board to make a recommendation to the Offer Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. We, Gram Capital Limited, have been appointed as the CSM Independent Financial Adviser to advise the CSM Independent Board Committee in this respect, and our opinion herein is solely for the assistance of the CSM Independent Board Committee in connection with its consideration of the Offer pursuant to Rule 2.1 of the Takeovers Code. The appointment of Gram Capital Limited as the CSM Independent Financial Adviser has been approved by the CSM Independent Board Committee.

INDEPENDENCE

There was no relationship or interests between Gram Capital and CSM, CMD, and their respective controlling shareholders; and Gram Capital was not in the same group as the financial or other professional advisers (including a stockbroker) to CSM or CMD, during the past two years immediately preceding 30 October 2025 up to and including the Latest Practicable Date, of a kind reasonably likely to create, or to create the perception of, a conflict of interest or reasonably likely to affect the objectivity of Gram Capital's advice and to act as the CSM Independent Financial Adviser to the CSM Independent Board Committee.

BASIS OF OUR OPINION

In formulating our opinion to the CSM Independent Board Committee, we have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations as provided to us by the CSM Directors. We have assumed that all information and representations that have been provided by the CSM Directors and CMD (where applicable), for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date, and should there be any changes to the information and representation provided by the CSM Director and/or CMD resulting in any material changes to our opinion after the Latest Practicable Date, the Offer Shareholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have also assumed that all statements of belief, opinion, expectation and intention made by the CSM Directors in the Composite Document were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document, or the reasonableness of the opinions expressed by CSM, its advisers, the CSM Directors, which have been provided to us. Our opinion is based on the CSM Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Offer. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 2 of the Takeovers Code.

Your attention is drawn to the responsibility statements as set out in the sections headed “1. Responsibility Statement” of Appendix IV to the Composite Document. We, as the CSM Independent Financial Adviser, take no responsibility for the contents of any part of the Composite Document, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of CSM, CMD or their respective subsidiaries or associates (if applicable), nor have we considered the taxation implication on the CSM Group or the Offer Shareholders as a result of the Offer. CSM has been separately advised by its own professional advisers with respect to the Offer and the preparation of the Composite Document (other than this letter).

We have assumed that the Offer will be consummated in accordance with the terms and conditions set forth in the Composite Document without any waiver, amendment, addition or delay of any terms or conditions. We have assumed that in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents as required for the Offer, no delay, limitation, condition or restriction will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived from the Offer. In addition, our opinion is necessarily based on the financial, market, economic, industry-specific and other conditions as they existed on, and the information made available to us as at the Latest Practicable Date, Offer Shareholders will be notified of any material changes to these information resulting in any material changes to our opinion as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly and fairly extracted, reproduced or presented from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Offer, we have taken into consideration the following principal factors and reasons:

1. Background and terms of the Offer

According to the Composite Document, CLSA Limited, for and on behalf of CMD and in compliance with the Takeovers Code, is making the Offer on the following basis:

For each Offer Share HK\$0.35 in cash

The Offer Price of HK\$0.35 per Offer Share under the Offer equals to the price per Sale Share paid by CMD for the Sale Shares under each of the Sale and Purchase Agreements.

With reference to the letter from CSM Board (the “CSM Board Letter”), as at the Latest Practicable Date, there were 8,381,295,229 CSM Shares in issue.

Further details of the Offer are set out in Appendix I to the Composite Document and the accompanying Form of Acceptance.

2. Information on the CSM Group

With reference to the CSM Board Letter, CSM is an investment holding company. The CSM Group is principally engaged in dairy farming business.

As noted from CSM’s annual report for the year ended 31 December 2025 (the “2025 Annual Report”), the CSM Group is China’s first raw milk supplier certified by both domestic and EU organic standards, it has firmly pursued a high-quality development path guided by ecological priority and green sustainability, with Ulan Buh Desert as its core base. CSM had transformed 350,000 mu of desert into high-quality pasture, planted over 98 million sand-fixing trees, and built a robust sand barrier, turning 220 square kilometres of desert into an oasis. CSM had significantly increased its investment in ecological construction, solidifying the industrial environmental foundation, constructing 193.3 kilometers of roads, 277.9 kilometres of power lines, 11 reservoirs, 9 organic manure fermentation plants and 1 bio-organic fertilizer processing plant in the desert.

As at 31 December 2025, CSM Group owned 34 farms, including organic milk farms, DHA milk farms, organic A2 milk farms, and standard high-quality raw milk farms, with a total of 147,036 dairy cows.

Financial performance

Set out below is a summary of the CSM Group’s consolidated financial performance for each of the three years ended 31 December 2025, as extracted from CSM’s annual report for the year ended 31 December 2024 (the “2024 Annual Report”) and the 2025 Annual Report:

| | For the year ended 31 December 2025 (“FY2025”) RMB’000 (audited) | For the year ended 31 December 2024 (“FY2024”) RMB’000 (audited) | For the year ended 31 December 2023 (“FY2023”) RMB’000 (audited) | Change from FY2024 to FY2025 % | Change from FY2023 to FY2024 % |
|----------------------------|--|--|--|---|---|
| Revenue | 3,012,260 | 3,126,184 | 3,383,629 | (3.64) | (7.61) |
| Gross profit | 756,083 | 925,890 | 1,025,020 | (18.34) | (9.67) |
| Profit/(loss) for the year | (373,026) | (64,515) | 94,612 | 478.20 | N/A |

As noted from the 2024 Annual Report and the 2025 Annual Report, all of the CSM Group's revenue for FY2023, FY2024 and FY2025 were derived from sales of raw milk in the PRC.

As depicted from the above table, the CSM Group's revenue decreased by approximately 7.61% from approximately RMB3,384 million for FY2023 to approximately RMB3,126 million for FY2024. With reference to the 2024 Annual Report, such decrease was due to the slight decrease in the CSM Group's sales volume of raw milk (from 711,465 tonnes for FY2023 to 699,803 tonnes for FY2024) and the decrease in average selling price of raw milk (from RMB4,756 per tonne for FY2023 to RMB4,467 per tonne for FY2024) as the situation of supply exceeding demand in the dairy market failed to improve effectively in 2024 and the selling price of raw milk continued to be low. Along with the aforesaid decrease in revenue and the slight decrease in the CSM Group's gross profit margin (from approximately 30.29% for FY2023 to approximately 29.62% for FY2024), the CSM Group's gross profit decreased by approximately 9.67% from approximately RMB1,025 million for FY2023 to approximately RMB926 million for FY2024.

As a result of the aforesaid decrease in gross profit and the increase in loss arising from changes in fair value less costs to sell of biological assets, mainly due to (i) the CSM Group's acceleration in the retiring process of inefficient cows to mitigate the impact of the imbalance between supply and demand of raw milk and improve the quality of the dairy herd, coupled with the low market price of culled cows during FY2024 as compared to that for FY2023 as a result of the increase in number of culled cows in the market; and (ii) the lower-than-expected demand in the beef cow market and a significant drop in selling prices as the downstream demand (such as the catering industry) for livestock weaken, the CSM Group turnaround from profit-making for FY2023 to loss-making for FY2024.

The CSM Group's revenue further decreased by approximately 3.64% from approximately RMB3,126 million for FY2024 to approximately RMB3,012 million for FY2025, mainly due to the further decrease in average selling price of raw milk (from RMB4,467 per tonne for FY2024 to RMB3,875 per tonne for FY2025), as partially offset by the increase in sales volume of raw milk (from 699,803 tonnes for FY2024 to 777,282 tonnes for FY2025) as the CSM Group's raw milk production increases. As advised by the CSM Directors, although the overall demand for raw milk decreases in recent years, as the CSM Group is one of the leading market players, and the raw milk the CSM Group produces primarily consist of organic raw milk, the CSM Group's downstream customers would shift their procurement towards higher-end brands and higher quality raw milk in light of a decrease in the overall raw milk price.

As noted from the 2025 Annual Report, primarily benefitted from the effects of the decline in prices of bulk feed products, the CSM Group's cost of sales per kilogram of milk declined to RMB2.90 per kilogram for FY2025 as compared to RMB3.14 per kilogram for FY2024. Nevertheless, the decrease in cost of sales was not sufficient to fully offset the decline in milk prices. As a result, the CSM Group's gross profit for FY2025 decreased by approximately 18.34% as compared to that for FY2024, and the CSM Group's gross profit margin for FY2025 decreased to approximately 25.10%, representing a decrease of approximately 4.52 percentage points as compared to that for FY2024.

Along with the aforesaid decrease in gross profit and the significant increase in other expenses from approximately RMB5.8 million for FY2024 to RMB320 million for FY2025 due to the recognition of the impairment provision of approximately RMB317 million in respect of the land use rights of the long-term undeveloped grassland held by the CSM Group (the “Subject Land”) (the “Land Impairment”), CSM Group’s loss for FY2025 increased significantly by approximately 478.20% as compared to that for FY2024.

We understood from the CSM Directors that the Subject Land is a parcel of land located at the Ulan Buh emergency flood diversion zone in Inner Mongolia Autonomous Region of the PRC which appeared desertified and remained undeveloped as at 31 December 2025. In August 2025, the Agriculture and Animal Husbandry Bureau of Dengkou County published the Dengkou County 2025 Autonomous Region-level Corn Green High-Yield and High-Efficiency Creation Action Plan* (《磴口縣2025年自治區級玉米綠色高產高效創建行動實施方案》) (the “Action Plan”), which requires the continued implementation of the national green high-yield and high-efficiency action projects, in order to promote the deeper integration of high-quality farmland and seeds, advanced machinery and optimised methods on a wider scale, driving large-scale yield increases of important agricultural products. The Subject Land is subject to the requirement of the Action Plan.

In light of the latest requirements under the Action Plan, the Group revisited the capital expenditure and budget for the future development of the Subject Land, and having taken into account the market value of the Subject Land as at 31 December 2025 as appraised based on market price of comparable lands, the Group recognised the impairment provision of approximately RMB317 million in respect of the Subject Land for FY2025.

As noted from CSM’s interim report for the six months ended 30 June 2025 and CSM’s announcement dated 1 August 2025, a civil judgement was issued by the Intermedial People’s Court of Huhhot on 16 August 2021 in relation to a claim made against Inner Mongolia Shengmu High-tech Farming Co., Ltd. (“Shengmu High-tech”), an indirect wholly-owned subsidiary of CSM, and two former directors of CSM by a plaintiff. Shengmu High-tech had lodged an appeal against the first-instance judgement with the High People’s Court of Inner Mongolia Autonomous Region (the “Appeal Court”) and on 28 July 2025, the CSM Board received a copy of the final judgement issued by the Appeal Court dated 23 July 2025 (the “Final Judgement”). In the Final Judgement, the Appeal Court significantly reduced the sum awarded to the plaintiff and decided against other claims made by the plaintiff. Pursuant to the outcome of the Final Judgement, the CSM Directors expected that the CSM Group’s maximum indemnity amount shall be approximately RMB39.4 million, resulting in a reversal of the provision of approximately RMB45.8 million made during FY2025 as compared to the original accumulated provision of RMB85.0 million for the probable losses which was reflected in CSM’s annual report for 2021 and 2022.

Financial position

Set out below is a summary of the CSM Group's consolidated financial position as at 31 December 2023, 2024 and 2025, as extracted from the 2024 Annual Report and the 2025 Annual Report:

| | As at 31 December 2025 RMB'000 (audited) | As at 31 December 2024 RMB'000 (audited) | As at 31 December 2023 RMB'000 (audited) |
|---|--|--|--|
| Total assets | 7,972,869 | 8,464,252 | 8,516,911 |
| – Property, plant and equipment | 1,803,428 | 1,885,925 | 1,945,138 |
| – Biological assets | 3,354,046 | 3,466,521 | 3,214,229 |
| – Inventories | 913,099 | 856,609 | 1,006,841 |
| – Trade receivables | 278,680 | 287,701 | 303,329 |
| – Restricted bank deposits | 695 | 128,988 | 148,783 |
| – Cash and bank balances | 1,169,756 | 1,065,283 | 947,886 |
| – Other assets | 453,165 | 773,225 | 950,705 |
| Total liabilities | 4,167,768 | 4,288,460 | 4,280,656 |
| – Trade and bills payables | 1,700,839 | 1,649,760 | 1,706,705 |
| – Interest-bearing bank borrowings | 2,211,192 | 2,274,285 | 2,131,239 |
| – Other liabilities | 255,737 | 364,415 | 442,712 |
| Net assets | 3,805,101 | 4,175,792 | 4,236,255 |
| Net assets attributable to the owners of CSM | 3,591,077 | 3,963,007 | 4,023,068 |

The CSM Group's total assets decreased from approximately RMB8,517 million as at 31 December 2023 to approximately RMB8,464 million as at 31 December 2024, and further decreased to approximately RMB7,973 million as at 31 December 2025. The CSM Group's assets primarily consisted of property, plant and equipment, biological assets (representing the CSM Group's milkable cows, heifers, calves and beef cattle) and cash and bank balances.

The CSM Group's total liabilities increased from approximately RMB4,281 million as at 31 December 2023 to approximately RMB4,288 million as at 31 December 2024, and decreased to approximately RMB4,168 million as at 31 December 2025. The CSM Group's liabilities primarily consisted of trade and bills payables and interest-bearing bank borrowings.

As at 31 December 2025, the CSM Group's net assets and net asset attributable to the owners of CSM ("NAV") were approximately RMB3,805 million and RMB3,591 million respectively, representing NAV of RMB0.43 per CSM Share (equivalent to approximately HK\$0.47 per CSM Share based on the exchange rate of HK\$1.0:RMB0.90322 as quoted by the People's Bank of China on 31 December 2025).

With reference to the Valuation Report prepared by the Valuer, the fair value of the net identifiable tangible and intangible assets and liabilities belonging to CSM was approximately RMB3,665 million as at 31 March 2026 (the “Adjusted NAV”), representing the Adjusted NAV of RMB0.44 per CSM Share (equivalent to approximately HK\$0.50 per CSM Share based on the exchange rate of HK\$1.0: RMB0.88295 as quoted by the People’s Bank of China on 31 March 2026).

Dividend

We noted from the 2024 Annual Report that CSM adopted a dividend policy on 28 March 2023 (the “Dividend Policy”). Pursuant to the Dividend Policy, the declaration and payment of dividends shall be determined at the sole discretion of the CSM Board. CSM’s ability to distribute dividend will depend on, among others, CSM’s profits, operating results, cash flows, financial condition and capital requirements, contractual restrictions which CSM is subject to, other factors of CSM which the CSM Directors consider relevant, and the interests of the CSM Shareholders. We also noted from CSM’s past annual reports that, following the adoption of the Dividend Policy, CSM declared and paid final dividends of HK1.13 cents per CSM Share and HK0.23 cents per CSM Share in respect of CSM’s financial year ended 31 December 2022 and 2023 respectively, representing the dividend payout ratio of approximately 22.65% and 22.12%. As the CSM Group was loss-making for each of the six months ended 30 June 2024 and 2025; and for each of FY2024 and FY2025, no interim or final dividends were declared by the CSM Board in respect of the corresponding period. With reference to the 2025 Annual Report, as at 31 December 2025, CSM’s distributable reserve amounted to approximately RMB3,391 million.

Save for the abovementioned dividend distributions for 2022 and 2023, CSM had not distributed any dividend since its listing on the Stock Exchange in July 2014.

Despite that CSM had distributable reserve for the distribution of dividends, as the declaration of dividends are determined at the sole discretion of the CSM Board, it is uncertain whether CSM will declare and make any payment of interim or final dividends even if the CSM Group turnaround from loss-making to profit-making.

Outlook of the dairy industry

CSM Group is principally engaged in production and distribution of raw milk in the PRC through its operation of dairy farms, the raw milk CSM Group produces primarily consist of organic raw milk. Raw milk refers to milk that has not undergone pasteurisation process and they are distributed to downstream manufacturers to be processed into (i) fluid milk (i.e. drinkable milk, including white milk, flavoured milk drinks and yogurt); and (ii) dried dairy products. To assess the outlook of the CSM Group’s business, we searched for and analysed certain statistics and relevant policies around the PRC dairy industry.

Set out below are the price of raw milk in the PRC as at the last week of each of the five years ended 31 December 2025, as published by the Ministry of Agriculture and Rural Affairs of the PRC, together with the CSM Group's average selling price of raw milk for the five years ended 31 December 2025, as extracted from CSM's past annual reports:

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Raw milk price in the PRC | | | | | |
| <i>(RMB per tonne)</i> | 4,280 | 4,120 | 3,660 | 3,110 | 3,030 |
| | For the | For the | For the | For the | For the |
| | year ended | year ended | year ended | year ended | year ended |
| | 31 December | 31 December | 31 December | 31 December | 31 December |
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| CSM Groups' average selling | | | | | |
| price of raw milk | | | | | |
| <i>(RMB per tonne)</i> | 5,104 | 4,998 | 4,756 | 4,467 | 3,875 |

The price of raw milk in the PRC has shown decreasing trend over the past five years, decreased from RMB4,280 per tonne as at the last week of 2021 to RMB3,030 per tonne as at the last week of 2025, representing a compound annual growth rate (CAGR) of negative 8.27%. As advised by the CSM Directors, as raw milk price peaked in the second quarter of 2021, at the material time, market participants (including the CSM Group) had increased their investments in female new born calves (which typically become milkable cows in around two years) with the view of increasing their raw milk production and capture the opportunities arising from the increasing trend of raw milk price. However, the Chinese economy was impacted by the prolonged pandemic and the emergence of the Chinese property crisis in 2021 and the spending habits of end-customers had shifted, affecting the demand for raw milk. The continuous decrease in raw milk price in the PRC was a response taken by market participants in light of the imbalance between supply and demand of raw milk in the PRC since the third quarter of 2021. Nevertheless, the decreasing rate of raw milk price in the PRC had decelerated by the end of 2025.

We noted that the CSM Group's average selling price of raw milk was higher than the price of raw milk in the PRC as listed above. As advised by the CSM Directors, this was mainly due to the fact that majority of raw milk sold by the CSM Group was organic raw milk, which accounted for approximately 78% of the CSM Group's raw milk for FY2025 in terms of sales volume and with a higher price as compared to regular raw milk price. The industry places paramount importance on and sets stringent standards for the production process of organic raw milk, covering conditions of dairy farms, feed growing and raw milk production. The continuous decrease in raw milk price in the PRC over the past five years resulted from the imbalance between supply and demand of raw milk had, to a large extent, caused the corresponding decrease in the CSM Group's average selling price of raw milk. The decrease in average selling price of raw milk of the CSM Group outpaced that of the PRC's dairy industry for FY2025.

Set out below are the annual production of raw milk in the PRC and the domestic consumption of fluid milk in the PRC for the five years ended 31 December 2025 as extracted from Wind Financial Terminal (according to the website of Wind Information Co., Ltd. (the provider of Wind Financial Terminal) (“Wind”), Wind was founded in 1998 and is a leading provider of financial information services in the PRC and the financial information provided by Wind are widely used by securities companies, fund management corporations, insurance companies, banks, investment firms and media. Other than its domestic presence in the PRC, Wind has established offices in oversea regions such as New York, San Francisco, London, Luxembourg, Singapore and Tokyo. Media and data published by Wind is frequently cited by authoritative Chinese and English media (such as Xinhua News Agency (the official state news agency of the PRC), Shanghai Securities News (a national securities newspaper in the PRC), Bloomberg, Reuters and Financial Times), research reports and academic papers):

| | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|-------|-------|-------|---------|---------|
| Annual production of raw milk in the PRC (million tonnes) | 36.83 | 39.32 | 41.97 | 40.79 | 40.91 |
| <i>Year-on-year growth</i> | | 6.76% | 6.74% | (2.81)% | 0.28% |
| <i>Compound annual growth rate</i> | | | | | 2.66% |
| Domestic consumption of fluid milk in the PRC (million tonnes) | 39.20 | 41.30 | 43.69 | 42.31 | 42.15 |
| <i>Year-on-year growth</i> | | 5.36% | 5.79% | (3.16)% | (0.38)% |
| <i>Compound annual growth rate</i> | | | | | 1.83% |

Note: Raw milk refers to milk that has not undergone pasteurisation process; and fluid milk refers to drinkable milk, including white milk, flavoured milk drinks and yogurt.

On the supply side, the annual production of raw milk in the PRC recorded year-on-year increase for each of 2021, 2022 and 2023. The annual production of raw milk in the PRC for 2024 decreased by approximately 2.81% as compared to that for 2023, being the first decline in production of raw milk since 2018, and remained at similar level for 2025. In terms of imports, as import of raw milk is not practicable given its short shelf life, import of dairy products are typically in the form of dried dairy products and packaged fluid milk which have longer shelf lives. We noted from the statistics published by the General Administration of Customs of the PRC that China imported a total of 2.66 million tonnes of various dairy products in 2025 (including dried dairy products and fluid milk), being at similar level as that for 2024 and marking an end to the consecutive three years of decline in imported dairy products.

We understood from the CSM Directors that the year-on-year decrease in production of raw milk in 2024 was a response to the oversupply of raw milk taken by market participants in the PRC by optimising their herd structure through eliminating low-yielding dairy cows. Despite the oversupply of raw milk in the PRC, as demand for imported dried dairy products continues to exist (being a major type of dairy product China imports which used to have price advantage over domestically-produced dried dairy products), China has been importing dairy products abroad. Given the downward trend in domestic raw milk prices resulted from the imbalance of supply and demand in the PRC, the price advantage of imported dried dairy products gradually reduced and the volume of dairy products imported by the PRC had declined continuously for three consecutive years from 2022 to 2024.

Along with the decrease in both the annual production of raw milk in the PRC and the PRC's import of dairy products for 2024, the domestic consumption of fluid milk in the PRC also recorded year-on-year decrease for 2024. The domestic consumption of fluid milk in the PRC for 2025 also remained at similar level as that for 2024.

To cope with the oversupply pressures and price competition faced by the dairy industry, government authority and certain industry associations had issued certain notice and development plans to provide development direction to the industry players.

In January 2025, the Ministry of Agriculture and Rural Affairs of the PRC issued the Opinion on Implementing Grain-Saving Actions in Animal Husbandry* (《關於實施養殖業節糧行動的意見》), which outlined the comprehensive national strategy to reduce grain consumption in the animal husbandry industry. Recognising that feed grain accounted for a significant portion of China's total grain use and approximately 70% of breeding costs, the guiding opinion aims to significantly improve production efficiency by 2030. Key measurable target is to reduce the average feed consumption per unit of animal product in standardised, large-scale farming by more than 7% compared to the level for 2023, while increasing the utilisation of non-grain feed resources. The guiding opinion presents a systematic plan to facilitate the transition of the PRC's animal husbandry industry towards greater efficiency, resource diversity and sustainability, by integrating technological upgrades, resource expansion and structural optimisation, it seeks to build a resilient production system for the animal husbandry industry.

In July 2025, the Ministry of Agriculture and Rural Affairs of the PRC issued the Notice on Accelerating the Relief of Difficulties in the Dairy Industry and Enhancing High Quality Development of the Dairy Industry* (《加快奶業紓困提升奶業高質量發展水平的通知》), which outlined the measures to help the dairy industry to overcome challenges and achieve sustainable growth, with the aims to (1) stabilise dairy farms facing financial difficulties by providing financial aids and enhancing financial services available to cow farms; (2) improve the overall quality, efficiency and competitiveness of the entire industry chain by optimising herd structure by culling low-yield cows; and (3) boost domestic consumption of milk products by promoting the development of "plain-packaged" milk and "low-price" milk to fulfil local consumption requirement and extending the implementation scope of "school milk programs" to regions with suitable conditions. The notice represents a comprehensive reform plan for the dairy industry with an objective to build a more resilient, efficient, and high-value domestic dairy industry that is less vulnerable to market fluctuation.

In July 2025, the Dairy Association of China published the document titled China's Dairy Industry Forges Ahead 2030* (《中國奶業奮進2030》), which outlined the comprehensive strategic blueprint for the development of the dairy industry to the year 2030, with the aim to achieve high-quality development, enhance comprehensive competitiveness and ensuring national good security. The document sets out the quantitative and qualitative targets to be achieved by 2030, including that milk production to reach around 45 million tonnes, with a domestic milk source self-sufficiency rate to maintain above 70%, the proportion of farming scale above 100 heads to reach about 85%, with average annual milk yield per cow exceeding 10 tonnes, product quality inspection pass rate to maintain above 99%, and dairy consumption per capita to reach over 47kg.

PRC's dairy industry was pressured by oversupply and price competition in raw milk, and the market participants (including CSM Group) are facing longer return period for their investments in female new born calves (which typically become milkable cows in around two years) made in 2021 when raw milk price peaked. Although the aforesaid guiding opinion, notice and document provided development plans for the dairy industry; and the decreasing rate of raw milk price in the PRC had decelerated in 2025, as CSM Group operates organic raw milk farms, a niche sector with product differentiation and higher feed costs and pricing that was profoundly affected by the decrease in raw milk price industry-wide, resulting in greater decrease in CSM Group's average selling price of raw milk to maintain its competitiveness in terms of pricing with standard raw milk farms. As such, we are of the view that the timing of CSM Group's recovery from the industry cyclical adjustment is uncertain.

3. Information on CMD

With reference to letter from CLSA Limited, CMD (being the Offeror) is an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on the Stock Exchange (stock code: 1117). The CMD Group is a leading operator in dairy cow farming and raw milk production in the PRC. Its two major business segments are the raw milk business and the integrated dairy farming solutions business, with a focus on supplying high-quality raw milk to dairy product manufacturers in the PRC.

4. Intentions of CMD regarding the CSM Group

With reference to letter from CLSA Limited, as at the Latest Practicable Date, CMD intends to continue with the CSM Group's existing businesses and does not intend to make any major changes to the business of CSM or to introduce any major changes in the continued employment of the employees of the CSM Group as a result of the Offer. However, in connection with the Acquisition and the Offer and subject to the Offer becoming unconditional, CMD expects to review the CSM Group and its assets, corporate structure, capitalisation, policies, management and personnel to consider and determine what changes, if any, would be appropriate or desirable following the Acquisition and the Offer in order to best organise and optimise the activities of the CSM Group, and may make any changes as it deems necessary or appropriate in light of its review of the CSM Group, including but not limited to any redeployment of fixed assets of the CSM Group or operations, corporate structure, capitalisation, management or employment arrangements.

As at the Latest Practicable Date, subject to the Offer becoming unconditional, CMD intends to nominate at least three new directors to the CSM Board, and additionally, to ensure that one director designated by Mengniu remains on the CSM Board at all times until the termination of the Voting Rights Agreement, and may effect other changes to the existing composition of the CSM Board, in each case subject to the requirements of the Takeovers Code, the Listing Rules, the articles of association of CSM and the other applicable laws.

5. Offer Price

5.1 Offer Price comparison

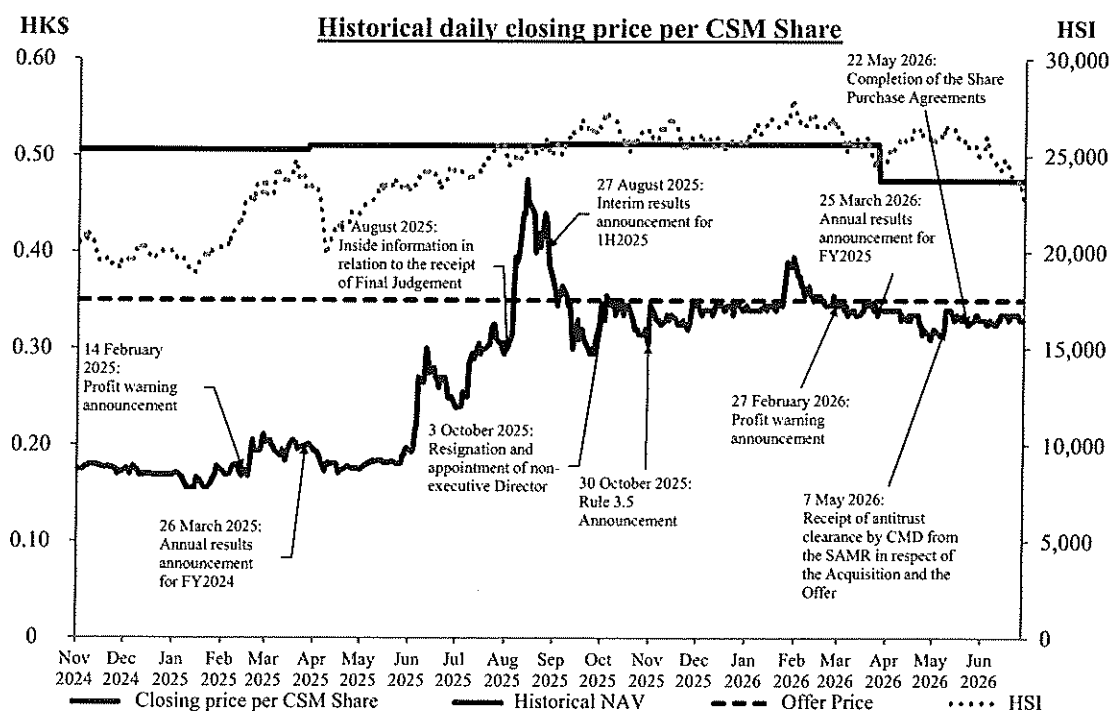
The Offer Price of HK\$0.35 for each Offer Share represents:

- (i) a premium of approximately 6.06% over the closing price of HK\$0.330 per CSM Share as quoted on the Stock Exchange as at the Latest Practicable Date;
- (ii) a premium of approximately 5.42% over the average closing price of HK\$0.332 per CSM Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Latest Practicable Date;
- (iii) a premium of approximately 5.11% over the average closing price of approximately HK\$0.333 per CSM Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Latest Practicable Date;
- (iv) a premium of approximately 5.79% over the average closing price of approximately HK\$0.331 per CSM Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Latest Practicable Date;
- (v) a premium of approximately 14.75% over the closing price of HK\$0.305 per CSM Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a premium of approximately 11.11% over the average closing price of HK\$0.315 per CSM Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 8.19% over the average closing price of approximately HK\$0.324 per CSM Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 7.75% over the average closing price of approximately HK\$0.325 per CSM Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day;
- (ix) a discount of approximately 26.22% to the audited consolidated NAV of approximately HK\$0.47 per CSM Share as at 31 December 2025 (the “NAV Discount”), calculated based on (a) the audited consolidated net assets attributable to the owners of CSM of approximately RMB3,591 million as at 31 December 2025; (b) 8,381,295,229 CSM Shares in issue as at 31 December 2025; and (c) the exchange rate of HK\$1.0: RMB0.90322, being the central parity rate as quoted by the People’s Bank of China on 31 December 2025; and

- (x) a discount of approximately 29.33% to the Adjusted NAV of approximately HK\$0.50 per CSM Share as at 31 March 2026 (the “Adjusted NAV Discount”), calculated based on (a) the fair value of the net identifiable tangible and intangible assets and liabilities belonging to CSM of approximately RMB3,665 million as at 31 March 2026 as set out in the Valuation Report; (b) 8,381,295,229 CSM Shares in issue as at 31 March 2026; and (c) the exchange rate of HK\$1.0: RMB0.88295, being the central parity rate as quoted by the People’s Bank of China on 31 March 2026.

5.2 Historical price performance of the CSM Shares

Set out below is a chart showing the movement of the closing prices of the CSM Shares, together with (i) the movement of Hang Seng Index; and (ii) the consolidated NAV per CSM Share during the period from 1 November 2024 (being approximately one year prior to Last Trading Day) up to the Latest Practicable Date (the “Review Period”), being an adequate and representative review period and the duration of such period is sufficient for us to perform a thorough analysis on the general trend and level of movement of the closing prices of the CSM Shares. CSM reported its consolidated NAV by way of interim and annual results announcement twice a year.



Source: the Stock Exchange’s website and the past annual/interim reports of CSM

During the Review Period, the highest and lowest closing prices of the CSM Shares as quoted on the Stock Exchange were HK\$0.475 recorded on 13 August 2025 and HK\$0.156 recorded on 9 January 2025, 10 January 2025, 13 January 2025, 14 January 2025, 20 January 2025, 21 January 2025 and 22 January 2025. The Offer Price of HK\$0.35 per Offer Share falls within the closing price range of the CSM Shares as quoted on the Stock Exchange during the Review Period and is higher than the closing prices of CSM Shares for 353 out of the total of 404 trading days during the Review Period. Furthermore, the closing price of CSM Shares were below the consolidated NAV per CSM Share during the entire Review Period.

From the beginning of the Review Period up to May 2025, the closing price of the CSM Shares fluctuated between HK\$0.156 per CSM Share to HK\$0.211 per CSM Share. From the start of June 2025, the closing price of CSM Shares surged and reached the short-term highest of HK\$0.300 per CSM Share on 11 June 2025, which outperformed the increase in Hang Seng Index. Following the publication of the announcement in relation to the receipt of the Final Judgement on 1 August 2025, the closing price of CSM Shares surged again and reached the highest of HK\$0.475 per CSM Share during the Review Period. Thereafter, the closing price of CSM Shares formed a decreasing trend and reached HK\$0.305 per CSM Share on the Last Trading Day.

Following the publication of the Rule 3.5 Announcement up to the Latest Practicable Date (“**Post-Rule 3.5 Announcement Period**”), the closing price of CSM Shares fluctuated between HK\$0.310 and HK\$0.395 per CSM Share and the Offer Price is higher than the closing prices of CSM Shares for 135 trading days out of the total of 158 trading days during the Post-Rule 3.5 Announcement Period. We noted that, along with the significant increase in trading volume of the CSM Shares on 26 January 2026, the closing price of the CSM Shares surged on even date to HK\$0.390 per CSM Share and reached the highest closing price of HK\$0.395 per CSM Share (recorded on 30 January 2026) during the Post-Rule 3.5 Announcement Period. However, such surge in closing price of CSM Shares again did not sustain and the closing price of CSM Shares had gradually decreased and reached HK\$0.330 per CSM Share as at the Latest Practicable Date.

Save as and except for the publication of the announcement in relation to the receipt of the Final Judgement and the Rule 3.5 Announcement, we did not identify any specific reasons which caused the aforesaid fluctuation in the closing price of the CSM Shares.

5.3 Historical trading liquidity of the CSM Shares

We performed a trading liquidity analysis on the CSM Shares for the Review Period. The number of trading days, the average daily number of the CSM Shares traded per month, and the respective percentages of the CSM Shares' average daily trading volume as compared to (i) the total number of CSM Shares held by the Offer Shareholders as at the Latest Practicable Date; and (ii) the total number of CSM Shares in issue as at the Latest Practicable Date, during the Review Period are tabulated as below:

| Month | No. of trading days | Average daily trading volume (the "Average Volume") Shares | % of the Average Volume to total number of CSM Shares held by the Offer Shareholders based on the number of CSM Shares as at the end of each month/period % | % of the Average Volume to total number of CSM Shares as at the end of the month/period % |
|--|---------------------|---|--|--|
| 2024 | | | | |
| November | 21 | 325,038 | 0.0056 | 0.0039 |
| December | 20 | 1,298,850 | 0.0225 | 0.0155 |
| 2025 | | | | |
| January | 19 | 541,421 | 0.0094 | 0.0065 |
| February | 20 | 3,054,750 | 0.0530 | 0.0364 |
| March | 21 | 2,751,286 | 0.0478 | 0.0328 |
| April | 19 | 1,467,684 | 0.0255 | 0.0175 |
| May | 20 | 1,118,700 | 0.0194 | 0.0133 |
| June | 21 | 9,612,905 | 0.1669 | 0.1147 |
| July | 22 | 12,825,818 | 0.2226 | 0.1530 |
| August | 21 | 30,424,619 | 0.5281 | 0.3630 |
| September | 22 | 15,913,644 | 0.2762 | 0.1899 |
| October | 20 | 10,819,900 | 0.1878 | 0.1291 |
| November | 20 | 9,886,908 | 0.1716 | 0.1180 |
| December | 21 | 10,110,050 | 0.1755 | 0.1206 |
| 2026 | | | | |
| January | 21 | 18,387,085 | 0.3192 | 0.2194 |
| February | 17 | 12,802,765 | 0.2222 | 0.1528 |
| March | 22 | 8,835,318 | 0.1534 | 0.1054 |
| April | 19 | 7,989,005 | 0.1387 | 0.0953 |
| May | 19 | 16,002,340 | 0.2778 | 0.1909 |
| June (up to and including the Latest Practicable Date) | 19 | 7,087,009 | 0.1230 | 0.0846 |

Source: the Stock Exchange's website

During the Review Period, the Average Volume was below 0.5% of (i) the total number of CSM Shares held by the Offer Shareholders (except for August 2025); and (ii) the total number of CSM Shares as at the end of each month/period. The Average Volume was exceptionally thin during the Review Period. Offer Shareholders (especially those with relatively sizeable shareholdings) may not be able to realise their investments in the CSM Shares at a price close to the Offer Price, particularly those who are going to dispose of their holdings as the disposal of large number of CSM Shares in the open market may have adverse impact on the price of CSM Shares.

5.4 Trading multiples analysis

To further assess the fairness and reasonableness of the Offer Price, we performed the trading multiple analysis by searching for Hong Kong listed companies which are principally engaged in the production and sales of raw milk in the PRC and derived more than 50% of their revenue from such business for their latest financial year. We found four companies listed below which met the aforesaid criteria and they are exhaustive (the “Comparable Companies”).

We noted that price-to-earnings ratio, price-to-book ratio (“PBR”) and price-to-sales ratio (“PSR”) are the commonly adopted multiples for the purpose of trading multiple analysis. However, as the CSM Group was loss-making for FY2025, we consider price-to-earnings ratio was not applicable for the purpose of our analysis and thus we adopted PBR and PSR for analysis purpose.

Set out below are the PBR and PSR of the Comparable Companies based on their closing prices and their latest published financial information as at the Latest Practicable Date:

| Company name (stock code) | Principal business | Market capitalisation (HK\$ million) | PBR (Note 1) | PSR (Note 2) |
|---|---|--|-----------------|-----------------|
| CMD (1117) | Production and sales of milk, trading, production and sales of feeds | 7,915.7 | 0.86 | 0.57 |
| YuanShengTai Dairy Farm Limited (1431) | Production and sale of raw milk | 1,017.8 | 0.16 | 0.34 |
| AustAsia Group Ltd. (2425) | Production and sales of raw milk, beef cattle and feed products, and the distribution and sale of milk products | 1,657.3 | 0.45 | 0.43 |
| China Youran Dairy Group Limited (9858) | Production and sale of raw milk, and the trading, production and sale of feeds, ruminant farming products and breeding products | 12,072.9 | 0.99 | 0.53 |
| | Maximum: | | 0.99 | 0.57 |
| | Minimum: | | 0.16 | 0.34 |
| | Average: | | 0.62 | 0.47 |
| | Median: | | 0.66 | 0.48 |
| CSM (1432) | | 2,765.8 | 0.74 | 0.88 |

Source: the Stock Exchange's website

Notes:

1. The PBR of the Comparable Companies were calculated based on their respective then latest published net asset value attributable to the shareholders, their respective closing prices as quoted on the Stock Exchange and the total issued shares as at the Latest Practicable Date.
2. The PSR of the Comparable Companies were calculated based on their respective then latest published revenue for the latest full financial year, their respective closing prices as quoted on the Stock Exchange and the total issued shares as at the Latest Practicable Date.
3. We adopted the mean and standard deviation outlier detection method to identify outliers in the sampled data and no outlier was identified as none of the sampled data was more than two standard deviations away from the mean.
4. The implied PBR of CSM was calculated based on the Offer Price, the number of CSM Shares in issue as at the Latest Practicable Date and the audited consolidated NAV as at 31 December 2025.
5. The implied PSR of CSM was calculated based on the Offer Price, the number of CSM Shares in issue as at the Latest Practicable Date and the CSM Group's revenue for FY2025.

As depicted in the above table, (i) the PBR of the Comparable Companies ranged from approximately 0.16 times to approximately 0.99 times, with an average of approximately 0.62 times and a median of approximately 0.66 times; and (ii) the PSR of the Comparable Companies ranged from approximately 0.34 times to approximately 0.57 times, with an average of approximately 0.47 times and a median of approximately 0.48 times.

The implied PBR of CSM is within the PBR range of the Comparable Companies and is higher than the average and the median PBR of the Comparable Companies; while the implied PSR of CSM is above the PSR range of the Comparable Companies.

Furthermore, based on the Adjusted NAV of approximately HK\$0.50 per CSM Share as at 31 March 2026, the implied PBR of CSM would have been approximately 0.71 times, which is also within the PBR range of the Comparable Companies and is higher than the average and the median PBR of the Comparable Companies.

5.5 Conclusion on the Offer Price

Despite the NAV Discount of approximately 26.22% and the Adjusted NAV Discount of approximately 29.33% as represented by the Offer Price, given that:

- (i) the Offer Price of HK\$0.35 per Offer Share falls within the closing price range of the CSM Shares as quoted on the Stock Exchange during the Review Period and is higher than the closing price of the CSM Shares for 353 out of the total of 404 trading days during the Review Period;
- (ii) the Offer Price was above or equal to the closing price of the CSM Share for most of the trading days during the Post-Rule 3.5 Announcement Period;
- (iii) the Offer Price represented premium over the then recent closing prices of the CSM Shares up to the Latest Practicable Date;
- (iv) the short-term spikes in the closing prices of CSM Shares occurred during August 2025 and late-January 2026 were occasional and did not sustain;

- (v) the closing price of the CSM Shares had been traded below the consolidated NAV per CSM Share during the entire Review Period;
- (vi) the liquidity of the CSM Shares was low during the Review Period and the disposal of substantial volume of CSM Shares in the open market may have adverse impact on the price of the CSM Shares; and
- (vii) the implied PBR of CSM is within the PBR range of the Comparable Companies and is higher than the average and the median PBR of the Comparable Companies; while the implied PSR of CSM is above the PSR range of the Comparable Companies,

we consider the Offer provide the Offer Shareholders an opportunity to realise part or all of their investment in the CSM Shares at moderate premium over the closing prices of CSM Shares for majority of the trading days during the Review Period, and thus it is fair and reasonable.

RECOMMENDATION

We noted that the decreasing rate of raw milk price in the PRC had decelerated in 2025. However, from CSM Group's financial and operational perspective, CSM Group operates organic raw milk farms, being a niche sector with product differentiation and higher feed costs and pricing, it was profoundly affected by the decrease in raw milk price industry-wide and had yet to recover from such cyclical adjustment. The decrease in average selling price of raw milk of CSM Group outpaced that of the PRC's dairy industry for FY2025. CSM Group's financial performance had continued to worsen in 2025 and the timing of CSM Group's recovery from the industry cyclical adjustment is yet to be certain. We also noted that CSM had adopted the Dividend Policy on 28 March 2023 and had only made payments of final dividends in respect of CSM's financial year ended 31 December 2022 and 2023, representing dividend payout ratio of 22.65% and 22.12% respectively. However, pursuant to the Dividend Policy, the declaration and payment of dividends shall be determined at the sole discretion of the CSM Board. It is uncertain whether CSM will declare and make any payments of interim or final dividend even if the CSM Group turnaround from loss-making to profit-making.

From price perspective, we noted that:

- (i) the Offer Price of HK\$0.35 per Offer Share falls within the closing price range of the CSM Shares as quoted on the Stock Exchange during the Review Period and is higher than the closing price of the CSM Shares for 353 out of the total of 404 trading days during the Review Period, in particular, the Offer Price was above or equal to the closing price of the CSM Share for most of the trading days during the Post-Rule 3.5 Announcement Period;
- (ii) the short-term spike in the closing price of CSM Shares in August 2025 was occasional and did not sustain. From mid-September 2025 (following the fall in closing price of CSM Shares by early-September 2025) up to the date of the Rule 3.5 Announcement, the closing price of CSM Shares fluctuated between HK\$0.295 to HK\$0.355 per CSM Share; and

- (iii) the Offer Price represented (a) the price for the Sale Share paid by CMD under the Acquisition and was arrived at after arm's length negotiation between CMD and each Selling Shareholder (each being independent to CMD); and (b) moderate premium over the then recent closing price of CSM Shares prior to the date of the Rule 3.5 Announcement and the Latest Practicable Date.

In view of the above, we consider the Offer provided the Offer Shareholders an opportunity to realise part or all of their investment in the CSM Shares at moderate premium over the closing prices of CSM Shares for a majority of the trading days during the Review Period.

In view of the aforesaid and that:

- (i) the Offer Price of HK\$0.35 per Offer Share falls within the closing price range of the CSM Shares as quoted on the Stock Exchange during the Review Period and is only lower than the closing price of the CSM Shares for 41 out of the total of 404 trading days during the Review Period, majority of which were during the August 2025 to early-September 2025 period where the closing price of CSM Shares experienced a short-term spike that did not sustain;
- (ii) the Offer Price was above or equal to the closing price of the CSM Share during almost all of trading days during the Post-Rule 3.5 Announcement Period, reflecting the market views on the value of the CSM Shares;
- (iii) the trading liquidity of the CSM Shares was low during the Review Period and the disposal of substantial volume of CSM Shares in the open market may have adverse impact on the price of the CSM Shares. The Offer provided the Offer Shareholders an opportunity to realise part or all of their investment in the CSM Shares at moderate premium over the closing prices of CSM Shares for a majority of the time during the Review Period;
- (iv) although the Offer Price represented a discount of approximately 26.22% to the NAV per CSM Share as at 31 December 2025 and a discount of approximately 29.33% to the Adjusted NAV per CSM Share as at 31 March 2026, (a) the closing prices of CSM Shares had been traded below the consolidated NAV per CSM Share during the entire Review Period; and (b) the implied PBR of CSM is within the PBR range of the Comparable Companies and is higher than the average and the median PBR of the Comparable Companies; and
- (v) the implied PSR of CSM is above the PSR range of the Comparable Companies,

we are of the view that the Offer (including the Offer Price) is fair and reasonable so far as the Offer Shareholders are concerned. Accordingly, we recommend the CSM Independent Board Committee to advise the Offer Shareholders to accept the Offer.

In light of that the closing price of CSM Shares ranged between HK\$0.310 per CSM Share and HK\$0.395 per CSM Share during the Post-Rule 3.5 Announcement Period, Offer Shareholders who wish to realise their investment in the CSM are reminded that they should carefully and closely monitor the market price of the CSM Shares during the Offer Period and consider selling their CSM Shares in the open market during the Offer Period, rather than accepting the Offer, if the net proceeds from the sale of such CSM Shares in the open market would exceed the net amount receivable under the Offer.

As different Offer Shareholders would have different investment criteria, objectives and/or circumstances, we would recommend any Offer Shareholders who may require advice in relation to any aspect of the 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
Gram Capital Limited



Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

* *for identification purpose only*