
DEFINITIONS AND GLOSSARY

In this prospectus, unless the context otherwise requires, the following expressions shall have the following meanings.

“Application Form(s)”	WHITE Application Form(s), YELLOW Application Form(s) and GREEN Application Form(s), or where the context so requires, any of them, relating to the Hong Kong Public Offering
“Articles of Association”	the articles of association of the Company, conditionally adopted on 8 August 2019 and as amended from time to time, a summary of which is set out in “Appendix VI — Summary of Articles of Association”
“Board” or “Board of Directors”	the board of directors of the Company established pursuant to the PRC Company Law, as described in “Directors, Supervisors and Senior Management”
“Board of Supervisors”	the board of supervisors of the Company established pursuant to the PRC Company Law, as described in “Directors, Supervisors and Senior Management”
“business day”	a day (other than a Saturday, Sunday or public holiday) on which licenced banks in Hong Kong are generally open for normal banking business
“CAGR”	compound annual growth rate
“CBIRC”	the China Banking and Insurance Regulatory Commission
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS, as from time to time in force
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant

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“China” or “PRC”	the People’s Republic of China, but for the purpose of this prospectus only, except where the context requires, reference in this prospectus to PRC or China exclude Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司), a joint stock company established in the PRC with limited liability on 17 December 2010, if context requires, includes its predecessor
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and in case of the Company, means Mr. Liu XJ, Ms. Zhang XY, Mr. Liu ZG, Mr. Liu ZM, GMK Holdings, Fengxiang Group, Fengxiang Investment, Guangdong Hengqin, Xizang Xinfengxiang and Xinfengxiang Guangming
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company and “Director” shall be construed accordingly as a director of the Company
“Domestic Share(s)”	ordinary share in our capital, with a nominal value of RMB1.0 each, which are subscribed for and paid up in Renminbi by PRC nationals and/or PRC-incorporated entities
“EIT”	the PRC enterprise income tax
“EIT Law”	the PRC Enterprise Income Tax Law, issued on 16 March 2007 and effective on 1 January 2008 and amended on 24 February 2017 and 29 December 2018, respectively
“EIT Rules”	the Rules for Implementation of the PRC Enterprise Income Tax Law, issued on 28 November 2007 and effective on 1 January 2008 and amended on 23 April 2019
“European Union” or “EU”	the European Union, including the United Kingdom under the Brexit transition period up to 31 December 2020
“Fengxiang Food”	Fengxiang Food Co., Ltd. (鳳祥食品有限公司), a company established in the PRC with limited liability on 18 November 2015 and a wholly-owned subsidiary of the Company

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“Fengxiang Food Development”	Shandong Fengxiang Food Development Co., Ltd. (山東鳳祥食品發展有限公司), formerly known as L.D.C Fengxiang Food Co., Ltd. (山東愛迪西—鳳祥食品有限公司), a company established in the PRC with limited liability on 22 April 1997 and a wholly-owned subsidiary of the Company
“Fengxiang Group”	Shandong Fengxiang (Group) Co., Ltd. (山東鳳祥(集團)有限責任公司), a company established in the PRC with limited liability on 30 June 1994, a wholly-owned subsidiary of GMK Holdings, one of the Controlling Shareholders
“Fengxiang Industrial”	Shandong Fengxiang Industrial Co., Ltd. (山東鳳祥實業有限公司) also known as Shandong Fambros Industrial Co., Ltd., a company established in the PRC with limited liability on 20 December 2011 and a wholly-owned subsidiary of the Company
“Fengxiang Investment”	Shandong Fengxiang Investment Co., Ltd. (山東鳳祥投資有限公司), a company established in the PRC with limited liability on 15 September 2000, a wholly-owned subsidiary of GMK Holdings, one of the Controlling Shareholders and one of the Promoters
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., the industry consultant
“Frost & Sullivan Report”	an industry report commissioned by us and independently prepared by Frost & Sullivan in connection with the Global Offering
“Global Offering”	the Hong Kong Public Offering and the International Offering
“GMK Finance”	GMK Finance Co., Ltd. (新鳳祥財務有限公司), a company established in the PRC with limited liability on 26 June 2015, a financial institution that is under the supervision of the Shandong Office of CBIRC (中國銀保監會山東監管局) and a non-wholly owned subsidiary of GMK Holdings
“GMK Holdings”	GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司), a company established in the PRC with limited liability on 29 October 2009, which is owned as to 51%, 9%, 20% and 20% by Mr. Liu XJ, Ms. Zhang XY, Mr. Liu ZG and Mr. Liu ZM, respectively, and one of the Controlling Shareholders and one of the Promoters
“GREEN Application Form(s)”	the application form(s) to be completed by the White Form eIPO Service Provider, Computershare Hong Kong Investor Services Limited
“Group”	the Company and its subsidiaries at the relevant time or, where the context otherwise requires, its present subsidiaries and the business operated by such subsidiaries

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“Guangdong Hengqin”	Guangdong Hengqin Fengxiang Equity Investment Centre (Limited Partnership) (廣東橫琴鳳祥股權投資中心(有限合夥)), formerly known as Xizang Fengxiang Food Industry Investment Centre (Limited Partnership) (西藏鳳祥食品產業投資中心(有限合夥)) a limited partnership established in the PRC on 13 April 2015, which is owned as to 99% by Xizang Xinfengxiang and 1% by Xinfengxiang Guangming, respectively, and one of the Controlling Shareholders
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.0 each, which are to be subscribed for and traded in Hong Kong dollars and are to be listed on the Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Offer Shares”	the 35,500,000 H Shares (subject to reallocation) being offered by the Company for subscription pursuant to the Hong Kong Public Offering
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price and on, and subject to, the terms and conditions of this prospectus and the Application Forms, as further described in “Structure of the Global Offering”
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in “Underwriting — Hong Kong Underwriters”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated 29 June 2020 relating to the Hong Kong Public Offering and entered into by, among others, the Joint Global Coordinators, the Hong Kong Underwriters, the covenantors named therein and the Company, as further described in “Underwriting — Underwriting Arrangements, Commissions and Expenses — Hong Kong Public Offering”
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standards Board
“IIT”	the PRC individual income tax

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“IIT Law”	the PRC Individual Income Tax Law, issued and effective on 10 September 1980, and amended on 31 August 2018 and effective on 1 January 2019
“independent third party(ies)”	any party who is not connected (within the meaning of the Listing Rules) with any director, chief executive or substantial shareholder of the Company or any of their respective subsidiaries or an associate of any of them
“International Offer Shares”	the 319,500,000 H Shares offered by the Company pursuant to the International Offering (subject to reallocation), together with, where relevant, up to an additional 53,250,000 H Shares to be sold pursuant to any exercise of the Over-allotment Option)
“International Offering”	the conditional placing by the International Underwriters of the International Offer Shares outside the United States to institutional and professional investors in offshore transactions as defined in and in accordance with Regulation S, as further described in “Structure of the Global Offering”
“International Underwriters”	the underwriters of the International Offering
“International Underwriting Agreement”	the international underwriting agreement relating to the International Offering and to be entered into by, among others, the Joint Global Coordinators, the International Underwriters, the covenantors named therein and the Company on or about the Price Determination Date, as further described in “Underwriting — Underwriting Arrangements, Commissions and Expenses — International Offering”
“Japan Fengxiang”	Fengxiang Foods (Japan) Co., Ltd. (鳳祥食品株式會社) a joint stock corporation incorporated in Japan with limited liability on 28 December 2017 and a wholly-owned subsidiary of the Company
“Japanese Legal Advisers”	Mori Hamada & Matsumoto, legal advisers to the Company as to the Japanese laws in connection with the Global Offering
“Joint Bookrunners”	ABCI Capital Limited, Bradbury Securities Limited, CCB International Capital Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Securities (International) Corporate Finance Company Limited, China Tonghai Securities Limited, CMB International Capital Limited, Crosby Securities Limited, Futu Securities International (Hong Kong) Limited, GF Securities (Hong Kong) Brokerage Limited, Haitong International Securities Company Limited, HeungKong Securities Limited, Huatai Financial

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	Holdings (Hong Kong) Limited, ICBC International Capital Limited, Southwest Securities (HK) Brokerage Limited, UOB Kay Hian (Hong Kong) Limited
“Joint Global Coordinators”	ABCI Capital Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Securities (International) Corporate Finance Company Limited, Haitong International Securities Company Limited and Southwest Securities (HK) Brokerage Limited
“Joint Lead Managers”	ABCI Securities Company Limited, Bradbury Securities Limited, CCB International Capital Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Securities (International) Corporate Finance Company Limited, China Tonghai Securities Limited, CMB International Capital Limited, Crosby Securities Limited, Dongxing Securities (Hong Kong) Company Limited, Eddid Securities and Futures Limited, Futu Securities International (Hong Kong) Limited, GF Securities (Hong Kong) Brokerage Limited, Haitong International Securities Company Limited, HeungKong Securities Limited, Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Luk Fook Securities (HK) Limited, Southwest Securities (HK) Brokerage Limited and UOB Kay Hian (Hong Kong) Limited
“JPY”	the lawful currency for the time being in Japan
“Korea”	the Republic of Korea
“Latest Practicable Date”	21 June 2020, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information in this prospectus prior to its publication
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date, expected to be on 16 July 2020, on which dealings in the H Shares first commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Liu Family”	Mr. Liu XJ, Ms. Zhang XY, Mr. Liu ZG and Mr. Liu ZM
“Mandatory Provisions”	the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, as amended, supplemented or otherwise modified from time to time, for inclusion in the articles of association of companies incorporated in the PRC to be listed overseas (including Hong

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	Kong), which were promulgated by the former Securities Commission of the State Counsel and the former State Commission for Restructuring the Economic Systems on 27 August 1994
“Ministry of Finance”	the Ministry of Finance of the PRC
“MOFCOM”	the Ministry of Commerce of the PRC
“Mr. Liu XJ”	Mr. Liu Xuejing (劉學景), our founder, non-executive Director, one of the Controlling Shareholders, spouse of Ms. Zhang XY and father of Mr. Liu ZG and Mr. Liu ZM
“Mr. Liu ZG”	Mr. Liu Zhiguang (劉志光), chairman of the Board, executive Director, one of the Controlling Shareholders, son of Mr. Liu XJ and Ms. Zhang XY and elder brother of Mr. Liu ZM
“Mr. Liu ZM”	Mr. Liu Zhiming (劉志明), one of the Controlling Shareholders, son of Mr. Liu XJ and Ms. Zhang XY and younger brother of Mr. Liu ZG
“Ms. Zhang XY”	Ms. Zhang Xiuying (張秀英), one of the Controlling Shareholders, spouse of Mr. Liu XJ and mother of Mr. Liu ZG and Mr. Liu ZM
“National Bureau of Statistics”	the National Bureau of Statistics of the PRC
“NDRC”	the National Development and Reform Commission of the PRC
“Non-competition Undertaking”	the non-competition undertaking dated 24 June 2020 entered into by the Controlling Shareholders with the Company as referred to in “Relationship with Controlling Shareholders — Non-Competition Undertaking”
“NPC”	the National People’s Congress of the PRC
“Offer Price”	the final Hong Kong dollar price per H Share (exclusive of brokerage fee, Stock Exchange trading fee and SFC transaction levy) at which the Offer Shares are to be subscribed pursuant to the Global Offering
“Offer Shares”	the Hong Kong Offer Shares and the International Offer Shares together, where relevant, with any additional H Shares sold pursuant to the exercise of the Over-allotment Option
“Over-allotment Option”	the option to be granted by us to the Joint Global Coordinators on behalf of the International Underwriters under the International Underwriting Agreement pursuant to which the Company may be required to sell up to an

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	additional aggregate of 53,250,000 H Shares (in aggregate representing 15% of the Offer Shares initially being offered under the Global Offering) at the Offer Price
“PBOC”	the People’s Bank of China, the central bank of the PRC
“PRC Company Law”	the Company Law of the PRC, issued on 29 December 1993 and effective on 1 July 1994 and amended on 28 December 2013 and effective on 1 March 2014
“PRC GAAP”	the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance
“PRC Government”	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organisations of such government or, as the context requires, any of them
“PRC Legal Advisers”	JunHe LLP, legal advisers to the Company as to the PRC laws in connection with the Global Offering
“Price Determination Agreement”	the agreement to be entered into by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and us on the Price Determination Date to record and fix the Offer Price
“Price Determination Date”	the date, expected to be on or about Tuesday, 7 July 2020 and, in any event not later than Friday, 10 July 2020, on which the Offer Price is fixed for the purposes of the Global Offering
“Promoter(s)”	the promoters that established the Company on 6 December 2010, which are GMK Holdings and Fengxiang Investment
“Regulation S”	Regulation S under the US Securities Act
“Relevant Persons”	the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners and the Joint Lead Managers, the Underwriters, or any of their respective directors, agents, employees, affiliates or advisers or any other parties involved in the Global Offering
“Renminbi” or “RMB”	the lawful currency for the time being of the PRC
“RM”	Ringgit, the lawful currency of Malaysia
“SAFE”	the State Administration of Foreign Exchange of the PRC
“SAIC”	the State Administration for Industry & Commerce of the PRC
“SAT”	the State Administration of Taxation of the PRC

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“Securities Law”	the Securities Law of the PRC, issued on 29 December 1998 and last amended and newly effective on 31 August 2014
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Award Scheme”	the share award scheme conditionally adopted by our Company on 4 June 2020, the principal terms of which are summarised in “Appendix VII — Statutory and General Information — F. Share Award Scheme”
“Sole Sponsor”	Southwest Securities (HK) Capital Limited
“Special Regulations”	the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies, which were passed at the 22nd Standing Committee Meeting of the State Council on 4 July 1994 and promulgated and implemented on 4 August 1994
“Stabilising Manager”	China Galaxy International Securities (Hong Kong) Co., Limited, a licenced corporation under the SFO to engage in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities
“State Council”	the State Council of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisors of the Company and “Supervisor” shall be construed accordingly as a supervisor of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“Track Record Period”	the four financial years ended 31 December 2016, 2017, 2018 and 2019
“Undertaking of Indemnity”	the undertaking of indemnity dated 24 June 2020 entered into by the Controlling Shareholders with the Company as referred to in “Appendix VII — Statutory and General Information — G. Other Information — 7. Tax and Other Indemnities”
“Underwriters”	the Hong Kong Underwriters and the International Underwriters

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“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United States” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US dollar”	the lawful currency of the US
“US Securities Act”	the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“VAT”	value-added tax
“WHITE Application Form(s)”	the application form(s) for use by the public who require(s) such Hong Kong Offer Shares to be issued in the applicant’s/ applicants’ own name
“WHITE Form eIPO”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website of White Form eIPO Service Provider
“White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“Xinfengxiang Guangming”	Xinfengxiang Guangming Investment Management Co., Ltd. (新鳳祥光明投資管理有限公司), a company established in the PRC on 26 March 2015, general partner of Guangdong Hengqin, which is owned as to 50% and 50% by Mr. Liu ZG and Mr. Liu ZM, respectively, and one of the Controlling Shareholders
“Xingwen Tianyang”	Xingwen Tianyang Jishi Food Development Co., Ltd. (興文天養極食食品發展有限公司), formerly known as Xingwen Fengxiang Mountain Black Bone Chicken Development Co., Ltd. (興文鳳祥山地烏骨雞發展有限公司), a company established in the PRC with limited liability on 26 May 2016 and a non-wholly owned subsidiary of the Company which is owned as to 90% by the Company and 10% by an independent third party
“Xizang Xinfengxiang”	Guangdong Hengqin Xinfengxiang Guangming Investment Limited Partnership (廣東橫琴新鳳祥光明投資合夥企業(有限合夥)), formerly known as Xizang Xinfengxiang Bright Investment Limited Partnership (西藏新鳳祥光明投資合夥企業(有限合夥)), a limited partnership established in the PRC on 27 March 2015, owned as to 49.5%, 49.5% and 1% by Mr. Liu ZG, Mr. Liu ZM and Xinfengxiang Guangming, and one of the Controlling Shareholders
“Yanggu Xiangyu Organic Fertiliser”	Yanggu Xiangyu Organic Fertiliser Co., Ltd. (陽穀祥雨有機肥有限公司), formerly known as Shandong Yufeng Organic

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Fertiliser Co., Ltd. (山東鈺豐有機肥有限公司), a company established in the PRC with limited liability on 9 October 2014 and a wholly-owned subsidiary of the Company

“YELLOW Application Form(s)”

the application form(s) for the Hong Kong Offer Shares for use by the public who require(s) such Hong Kong Offer Shares to be deposited directly into CCASS

“Yucheng Fengming”

Yucheng Fengming Food Co., Ltd. (禹城鳳鳴食品有限公司), a company established in the PRC with limited liability on 18 August 2017 and a wholly-owned subsidiary of the Company

In this prospectus:

- “our”, “we” and “us” refer to the Group or where the context refers to any time prior to the Company’s establishment, Fengxiang Group and its then subsidiaries and the business carried on by them; and
- the term “associate(s)”, “close associate(s)”, “connected person(s)”, “controlling shareholder(s)”, “core connected person(s)”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, under the context otherwise requires.

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The glossary of technical terms contains explanations and definitions of certain terms used in this prospectus in connection with the Group and the Group's business. The terms and their meaning may not correspond to meanings or usage of these terms as used by others.

"B2B"	business-to-business sales model, where processors sell their products to business customers, mainly corporations. The business customers would have a value-adding process such as further processing the products, and sell such products under their own name, branding and/or packaging
"B2C"	business-to-consumer sales model, where processors sell their products to end consumers under the company's own brand name and packaging directly or through cooperation with third parties
"battery cage systems"	housing systems that are used to breed broilers, with similarly-looking cages being arranged in rows and columns that are closely knitted together, with cages divided from each other using the walls of the cages like the cells of a battery
"breeder(s)"	collectively, the immature and mature breeders
"broiler(s)"	the mature chickens which are grown from chicken breeds. It takes approximately 30 to 42 days to raise a chicken breed into a broiler. A broiler is a type of chicken bred for the production of chicken meat products rather than for eggs. It is bred in a highly controlled environment. Broilers are usually slaughtered when they reach a required weight. After slaughtering, it will be processed into chicken meat products for sale
"broiler egg(s)"	the fertilised eggs laid by breeders, which are incubated for approximately 21 days and hatched into chicken breeds. Broilers eggs are more expensive than normal unfertilised eggs
"chicken breed(s)"	the chicks hatched from broiler eggs, which will then be delivered to broiler farms for breeding into broilers
"Contract Farmers"	the farmers who enter into contracts with us for the growing of chicken breeds of Sichuan Mountain Black Bone Chicken as mentioned in "Business", all of whom being independent third parties
"Contract Farming"	the mechanism used by the Group to procure live broilers by entering into contracts with the Contract Farmers, pursuant to which the Group will supply chicken breeds of Sichuan Mountain Black Bone Chicken to the Contract Farmers for growing in accordance with the terms of the contracts and thereafter repurchase grown broilers from such Contract Farmers

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“Contract Farms”	the farms on which Contract Farming takes place
“European Production Index”	the European Production Index is liveability at market age multiplied by average pre-slaughter live weight, divided by feed conversion rate and number of feeding days, and multiplied by 10,000. Liveability at market age is the number of pre-slaughter broiler divided by the number of day-old chicks, multiplied by 100%. Average pre-slaughter live weight is the total pre-slaughter live weight divided by total number of pre-slaughter broilers after the broilers leave the farms and before they are slaughtered. Feed conversion rate is total feed consumed divided by the total pre-slaughter live weight
“Grandparent Stock Chick(s)”	Chickens that are bred for the purpose of laying eggs that produce Parent Stock Day-old Chicks
“immature breeder(s)”	the chickens of less than 24 weeks old which are grown from Parent Stock Day-old Chicks for the purpose of laying broiler eggs
“KOL(s)”	key opinion leaders, often being brand or product advocates that have a professional or expert status that elevates their opinions in the eyes of consumers
“mature breeder(s)”	the mature chickens of 24 weeks old or more which are grown from Parent Stock Day-old Chicks and used for laying broiler eggs. Such mature breeders will usually start to lay eggs from approximately the 25th week to the 65th week after their birth. After the 65th week, mature breeders will be sold and will not be used for the production of chicken meat products
“mu”	the traditional Chinese unit of area (畝), one mu is equivalent to approximately 666.67 sq.m.
“Parent Stock Day-old Chick(s)”	the day-old chicks that are bred for the purpose of laying broiler eggs
“PwC Report”	a report commissioned by us and independently prepared by PricewaterhouseCoopers (“PwC”) in connection with the calculation of unit cost of production per kilogramme and European Production Index of certain chicken farms for the period from 1 September 2018 to 31 May 2019 in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by The Hong Kong Institute of Certified Public Accountants.

The procedures performed by PwC cannot guarantee identification of misstatements resulting from fraud, as fraud

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may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Accordingly, errors or irregularities may occur and may not be detected. Furthermore, PwC's conclusion is based on historical information of certain chicken farms for the identified period and they cannot represent or project similar results to other chicken farms of the Group due to different characteristics of each farm, seasonal and other factors. Therefore, any information or conclusions, contained in PwC Report or attachment to the report, cannot represent or project to any other chicken farms of the Group or any future periods

"sq.m."

square metres

"°C"

Degree Celsius

"%"

per cent