

SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

Established in 2002, we are an agricultural food products producer in the PRC. We first developed our business from producing dried food products. Leveraging our experience and established brand name in dried food products production, we expanded our business into production of instant vegetable snacks in September 2018 and further expanded our production lines to produce instant meat snacks in January 2021. We principally engage in manufacturing and, to a lesser extent, trading of instant snacks and dried food products. According to Frost & Sullivan Report, we were ranked third with market share of approximately 0.5% of the vegetables, fungus, fruits and nuts and aquatic products processing market and fifth with market share of approximately 1.2% of the snack food market, in Jiangxi Province, in terms of revenue in 2021.

OUR BUSINESS MODEL

We produce and sell a variety of (i) instant snacks (including instant vegetable snacks and instant meat snacks) such as bamboo shoots crisps and roasted duck necks; and (ii) packaged dried food products such as fungi, dried aquatic products, algae, grains and seasonings in the PRC. We generally (i) source raw materials from our suppliers, (ii) process the raw materials and package products at our own production facilities, and (iii) sell the products under our own “Shengyao (聲耀)” and “Gangweifang (贛味坊)” brands. We also purchase dried candied fruit, nuts and other products in bulk from suppliers and sell to retailers and corporate customers without further processing in the PRC. We believe the trading business model allows us to introduce selected products to enrich our product offerings and to fully utilise our sales channels and marketing resources to cater customers’ needs and preferences. The following table sets forth the breakdown of our revenue categorised by business models during the Track Record Period:

	FY2019		FY2020		FY2021	
	RMB'000	%	RMB'000	%	RMB'000	%
Manufacturing						
Shengyao (聲耀)	205,826	69.2	208,308	73.6	221,060	64.6
Gangweifang (贛味坊) . . .	17,609	5.9	20,641	7.3	29,292	8.6
Subtotal	223,435	75.1	228,949	80.9	250,352	73.2
Trading	73,963	24.9	53,940	19.1	91,646	26.8
Total	297,398	100.0	282,889	100.0	341,998	100.0

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OUR PRODUCTS

We offer a large and evolving range of diverse product portfolio covering five types of products including (i) instant snacks; (ii) dried delicacies; (iii) dried aquatic products; (iv) grains; and (v) seasonings and others. As at 31 December 2021 and the Latest Practicable Date, our product portfolio included 560 and 564 types of instant snacks, and 623 and 625 types of dried food products, respectively. The following table sets forth the breakdown of our revenue categorised by product line during the Track Record Period:

	FY2019		FY2020		FY2021	
	RMB'000	%	RMB'000	%	RMB'000	%
Instant snacks	128,419	43.2	137,426	48.6	171,059	50.0
Dried delicacies	86,800	29.2	70,454	24.9	87,410	25.6
Dried aquatic products	46,716	15.7	52,965	18.7	59,002	17.3
Grains	28,791	9.7	17,899	6.3	21,358	6.2
Seasonings and others	6,672	2.2	4,145	1.5	3,169	0.9
Total	<u>297,398</u>	<u>100.0</u>	<u>282,889</u>	<u>100.0</u>	<u>341,998</u>	<u>100.0</u>

Since our inception in Jiangxi Province in 2002, we have expanded our geographic presence for our product offerings to 26 provinces or autonomous regions and three municipalities across the PRC as at 31 December 2021. The table below sets forth an analysis of our revenue by delivery destinations during the Track Record Period:

	FY2019		FY2020		FY2021	
	RMB'000	%	RMB'000	%	RMB'000	%
Jiangxi Province	191,407	64.4	166,996	59.0	184,791	54.0
Hubei Province	32,341	10.9	74,884	26.5	32,434	9.5
Zhejiang Province	13,649	4.6	6,998	2.5	12,822	3.7
Sichuan Province (including Chongqing)	28	0.0	8,143	2.9	74,071	21.7
Others (<i>Note</i>)	<u>59,973</u>	<u>20.1</u>	<u>25,868</u>	<u>9.1</u>	<u>37,880</u>	<u>11.1</u>
Total	<u>297,398</u>	<u>100.0</u>	<u>282,889</u>	<u>100.0</u>	<u>341,998</u>	<u>100.0</u>

Note: Others comprise Hunan Province, Jiangsu Province, Shaanxi Province, Anhui Province, Hebei Province, Shandong Province, Inner Mongolia Autonomous Region, Guangdong Province, Shanxi Province, Liaoning Province, Henan Province, Ningxia Hui Autonomous Region, Fujian Province, Gansu Province, Jilin Province, Qinghai Province, Heilongjiang Province, Guangxi Zhuang Autonomous Region, Guizhou Province, Xinjiang Uygur Autonomous Region, Yunnan Province, Hainan Province, Beijing and Shanghai.

OUR PRODUCTION FACILITIES

As at the Latest Practicable Date, we have two production facilities, namely Nanchang Plant and Guangchang Plant, in Jiangxi Province, the PRC. Nanchang Plant is specialised in the processing and packaging of dried food products and Guangchang Plant is equipped with cooking

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equipment which is dedicated for the production of instant snacks. The following table sets out the designed production capacity, actual production volume and utilisation rate of our production and packaging facilities for the years indicated:

Production facilities	Production Lines	FY2019			FY2020			FY2021		
		Designed production capacity ⁽¹⁾	Actual production volume	Utilisation rate ⁽²⁾	Designed production capacity ⁽¹⁾	Actual production volume	Utilisation rate ⁽²⁾	Designed production capacity ⁽¹⁾	Actual production volume	Utilisation rate ⁽²⁾
		(tonnes)	(tonnes)	%	(tonnes)	(tonnes)	%	(tonnes)	(tonnes)	%
Guangchang Plant . . .	Instant vegetable snack production line	1,553	1,589	102.3	1,671	2,469	147.8	1,789	1,629	91.1
	Instant meat snack production line	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	1,711	1,555	90.9
Nanchang Plant	Dried food product production line	4,420	5,423	122.7	4,420	3,517	79.6	4,420	4,174	94.4

Notes:

- (1) Designed production capacity means the estimated maximum output of the relevant products that each facility can produce in the relevant year. It is calculated on the assumption that our production lines operate eight hours per day in two shifts and 260 days (52 weeks per year times five working days in a week) per year, taking into account the downtime for inspection, repairs and maintenance, and shutdown for commercial production due to public holiday in the PRC.
- (2) The utilisation rate is derived from dividing the actual production volume by the designed production capacity.
- (3) Our production line for instant meat snacks only commenced operation in January 2021.

SALES AND CUSTOMERS

We primarily sell our products to retailers such as supermarkets and grocery stores, corporate customers, e-commerce channel on Tmall.com, and other individual customers. We also sell our products such as instant snacks, dried aquatic products, nuts, cereals and mushrooms at concessionary counters in supermarkets, where our promoters will promote and interact face-to-face with end consumers to provide useful product information tailored to the interests and needs of individual consumers. The products sold at concessionary counters are generally not pre-packaged but sold according to weight. The following table sets forth the breakdown of our revenue categorised by sales channels during the Track Record Period:

	FY2019		FY2020		FY2021	
	RMB'000	%	RMB'000	%	RMB'000	%
Retailers						
Supermarkets	208,097	70.0	196,040	69.3	230,751	67.5
Concessionary counters . .	29,198	9.8	38,697	13.7	50,559	14.8
Grocery stores	1,588	0.5	1,935	0.7	6,604	1.9
Subtotal.	238,883	80.3	236,672	83.7	287,914	84.2
Corporate customers	57,215	19.2	42,251	14.9	51,261	15.0
E-commerce	841	0.3	3,944	1.4	2,728	0.8
Others (<i>Note</i>)	459	0.2	22	0.0	95	0.0
Total	297,398	100.0	282,889	100.0	341,998	100.0

Note: Others mainly refer to direct sales to individual customers who, to the best knowledge of our Directors, purchase our products for their own consumption.

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We have established a stable and long-term relationship with our customers. Our five largest customers during the Track Record Period have established business relationship with us for over five years. For FY2019, FY2020 and FY2021, our five largest customers accounted for approximately 78.6%, 85.8% and 81.8% of our revenue, respectively, and our largest customer accounted for approximately 38.9%, 42.9% and 43.7% of our revenue, respectively. Please refer to the paragraph headed “Business — Customers” in this document for details.

RAW MATERIALS AND SUPPLIERS

We generally source raw materials such as cuttlefish, lotus seeds, black fungi, pistachios, bamboo shoots, chicken feet and duck necks from farmers and agricultural cooperatives and corporate suppliers. We secure raw materials in advance to maintain the stability of our supplies and control our procurement cost. We maintain a selected list of suppliers for raw materials. We evaluate materials, quality of the products and timeliness of product delivery of our suppliers. We have also established strong relationships with our five largest suppliers which help to reduce our exposure to price and supply fluctuations.

All of our major suppliers are located in the PRC. The aggregate total purchases from our five largest suppliers accounted for approximately 28.9%, 34.8% and 39.9%, respectively of our total purchases for FY2019, FY2020 and FY2021. The total purchases made by us to our largest supplier accounted for approximately 6.9%, 10.4% and 13.3% of our total purchases for FY2019, FY2020 and FY2021, respectively. Please refer to the paragraph headed “Business — Suppliers” in this document for details.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and differentiate us from our competitors:

- a track record of over 20 years in the agricultural food product processing industry with established brand in the PRC;
- solid customer base and long-term relationship with our major customers;
- strong devotion and commitment to standardised production and stringent quality standards and control;
- diversified product portfolio supported by innovative product development capabilities;
- stable supply of raw materials and established relationship with suppliers; and
- stable and experienced management team with a proven track record.

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OUR STRATEGIES

We intend to strengthen our market position and increase our market share by pursuing the following strategies:

- expansion of our production capacity and enriching our product offerings; and
- increase our sales through enhancement of marketing efforts and expansion of sales channels.

SUMMARY OF KEY FINANCIAL INFORMATION AND RATIOS

The summary historical data of financial information set forth below have been derived from, and should be read in conjunction with, our combined financial statements, including the accompanying notes, set forth in the Accountants’ Report in Appendix I to this document, as well as the information set forth in the section headed “Financial Information” in this document.

Selected Items in Combined Statements of Profit or Loss and Other Comprehensive Income

	FY2019	FY2020	FY2021
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue	297,398	282,889	341,998
Cost of sales	(201,147)	(192,301)	(233,518)
Gross profit.	96,251	90,588	108,480
Profit before income tax expense	48,262	47,313	57,844
Profit for the year	40,945	40,939	48,292
Profit for the year attributable to:			
Owners of the Company	40,945	40,939	48,292

For further details, please refer to the paragraph headed “Financial Information — Description of Selected Items in Combined Statements of Profit or Loss and Other Comprehensive Income” in this document.

Selected Items of Combined Statements of Cash Flows

	FY2019	FY2020	FY2021
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Net cash generated from operating activities	10,588	86,559	27,072
Net cash used in investing activities	(2,629)	(3,105)	(7,187)
Net cash generated from/(used in) financing activities.	32,507	17,748	(34,902)
Net increase/(decrease) in cash and cash equivalents.	40,466	101,202	(15,017)
Cash and cash equivalents at the beginning of the year.	670	41,136	142,338
Cash and cash equivalents at the end of the year	41,136	142,338	127,321

For further details, please refer to the paragraph headed “Financial Information — Liquidity and Capital Resources — Cash flows” in this document.

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Selected Items of Combined Statements of Financial Position

	As at 31 December		
	2019	2020	2021
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total current assets	216,713	309,780	313,404
Total current liabilities	128,210	169,730	150,100
Net current assets	88,503	140,050	163,304
Total non-current assets	48,220	46,619	51,958
Total non-current liabilities	27,614	23,537	3,626
Net assets	109,109	163,132	211,636

For further details, please refer to the paragraph headed “Financial Information — Selected Items of Combined Statements of Financial Position” in this document.

Key Financial Ratios

The following table sets forth certain key financial ratios of our Company for the periods or as at the dates indicated:

	As at/For the year ended 31 December		
	2019	2020	2021
Current ratio	1.7 times	1.8 times	2.1 times
Quick ratio	1.2 times	1.2 times	1.4 times
Gearing ratio	97.9%	73.9%	42.9%
Net debt-to-equity ratio	60.2%	N/A	N/A
Interest coverage ratio	7.4 times	7.1 times	10.4 times
Return on total assets	15.5%	11.5%	13.2%
Return on equity	37.5%	25.1%	22.8%
Net profit margin	13.8%	14.5%	14.1%

For further details, please refer to the paragraph headed “Financial Information — Key Financial Ratios” in this document.

OUR CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, Mr. Yang and his spouse, Ms. Lin, through Shengyao Investment and Trendy Peak, respectively, together with Nanchang Tongli LP through Prosperous Season, owned an aggregate of approximately 64.45% of the issued share capital of our Company. Immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be issued upon the exercise of the [REDACTED] and the options that may be granted under the [REDACTED]), Mr. Yang and his spouse, Ms. Lin, through Shengyao Investment and Trendy Peak, respectively, together with Nanchang Tongli LP through Prosperous Season, will own an aggregate of approximately [REDACTED] of the issued share capital of our Company. Therefore, Mr. Yang, Ms. Lin, Shengyao Investment, Trendy Peak, Nanchang Tongli LP and Prosperous Season are regarded as our Controlling Shareholders under the Listing Rules.

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[REDACTED]

Mr. Lei and Mr. Su invested in our Group as [REDACTED]. Immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be issued upon the exercise of the [REDACTED] and the options that may be granted under the Share Option Scheme), Mr. Lei (through Pluto Universal) and Mr. Su (through Vantage Link) will own [REDACTED]% and [REDACTED]% of the issued share capital of our Company, and will be counted as part of the [REDACTED] for the purposes of Rule 8.08 of the Listing Rules. For further details of the identity and background of the [REDACTED] and the principal terms of the [REDACTED] Investment, please refer to the paragraph headed “History, Reorganisation and Corporate Structure — [REDACTED] Investment” in this document.

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, many of which are beyond our control. These risks are set out in the section headed “Risk Factors” in this document. Some of the major risks we face include: (i) we may not be able to maintain a stable supply of raw materials and the availability of our raw materials could be subject to weather conditions and global climate changes; (ii) we are susceptible to fluctuations in raw materials prices; (iii) if our customers fail to receive their products as scheduled, our sales and reputation may be materially and adversely affected; (iv) our efforts in developing, launching and promoting new products may not be successful; and (v) the outbreak of COVID-19 adversely affected, and may continue to affect, the demand for our products, our business operations and financial conditions. Please refer to the section headed “Risk Factors” in this document for further details.

[REDACTED]

Our [REDACTED] mainly include [REDACTED], [REDACTED] and professional fees paid and payable to legal advisers and the Reporting Accountants for their services rendered in relation to the [REDACTED] and the [REDACTED]. The estimated total [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the [REDACTED] of the indicative [REDACTED], and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million), representing approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED], comprising of (i) fees paid and payable to legal advisers and the Reporting Accountants of approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million); and (ii) others fees and expenses, including [REDACTED], of approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million). The estimated total [REDACTED] consist of [REDACTED] of approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million), and [REDACTED] of approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million). During the Track Record Period, we incurred [REDACTED] of approximately RMB[REDACTED] million, which have been charged to our combined statements of profit and loss and other comprehensive income. We expect to incur additional [REDACTED] of approximately RMB[REDACTED] million which are expected to be charged to our combined statements of profit and loss and other comprehensive income subsequent to the Track Record Period and approximately RMB[REDACTED] million will be accounted for as a deduction from equity upon the completion of the [REDACTED].

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[REDACTED]

The [REDACTED] comprises the following: (i) the [REDACTED] of [REDACTED]; and (ii) the [REDACTED] of [REDACTED], subject to, in each case, reallocation on the basis as described in the section headed “Structure and Conditions of the [REDACTED]” in this document. The following table sets out certain [REDACTED] related data, assuming the [REDACTED] has been completed:

	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]
[REDACTED] of the Shares expected to be in issue following the completion of the [REDACTED] and the [REDACTED] ^(Note 1)	HK\$ [REDACTED] million RMB	HK\$ [REDACTED] million RMB
[REDACTED] per Share ^(Note 2)	[REDACTED]/ HK\$ [REDACTED]	[REDACTED]/ HK\$ [REDACTED]

Notes:

1. The calculation of the [REDACTED] is based on [REDACTED] Shares expected to be in issue following the completion of the [REDACTED] and the [REDACTED].
2. No adjustment has been made to the [REDACTED] of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2021.

[REDACTED]

We estimate the [REDACTED] from the [REDACTED] which we will receive, assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the [REDACTED] stated in this document), will be approximately HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million), after deduction of [REDACTED] and other expenses payable by us in relation to the [REDACTED] and assuming the [REDACTED] is not exercised.

We intend to use the [REDACTED] of the [REDACTED] for the following purposes:

- approximately [REDACTED]%, or HK\$[REDACTED] million (equivalent to RMB[REDACTED] million), will be used to build a new factory building and acquire new production lines in our Guangchang Plant by around June 2024 (subject to the progress of construction work) to increase our designed annual production capacity by approximately 1,200 tonnes of instant vegetable snack products and 2,000 tonnes of instant meat snack products;
- approximately [REDACTED]%, or approximately HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million), will be used to enhance our marketing efforts and expand our sales channels; and
- approximately [REDACTED]%, or approximately HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million), will be used for working capital and other general corporate purposes.

Please refer to the section headed “Future Plans and [REDACTED]” in this document for further details.

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DIVIDEND AND DIVIDEND POLICY

During the Track Record Period, no dividends have been paid by our Company. The declaration of future dividend will be subject to the recommendation of our Board and approval of our Shareholders in general meetings or, in the case of interim dividends, subject to the approval of our Board in accordance with the Articles. The amount of any dividends to be declared by our Company in any given year in the future will depend on, among others, our Group’s results of operations, available cashflows and financial conditions, operating and capital and regulations and any other factors that our Directors deem relevant. The payment of dividend may also be limited by legal restrictions and agreements that our Group may enter into in the future. Our Company does not currently have a fixed dividend policy nor any predetermined dividend payout ratio. No dividend was declared or paid by our Group to owners of our Company during the Track Record Period.

LEGAL PROCEEDINGS AND LEGAL COMPLIANCE

As at the Latest Practicable Date, there were no legal, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material adverse effect on our financial condition or results of operations.

The historical non-compliances involving us during the Track Record Period included, (i) all of our PRC subsidiaries, namely Jiangxi Zhengwei, Nanchang Kaixing and Guangchang Zhenglian did not make full contribution to the social insurance and housing provident funds for some of our employees as required under PRC laws and regulations; and (ii) our PRC subsidiaries namely, Jiangxi Zhengwei and Nanchang Kaixing, had not registered the lease for two warehouses with the local housing administration authorities as required under PRC laws. Our Directors believe that such non-compliances will not have any material operational or financial impact on us. As at the Latest Practicable Date, we had either taken rectification measures for the non-compliance or obtained indemnity for any possible penalty or other monetary damages which may be incurred as a result of the non-compliance. In addition, we have implemented internal control improvement measures to manage our business and operational risks, to ensure our smooth operation and to avoid future recurrence of historical non-compliance incidents. For further details, please refer to the paragraphs headed “Business — Non-compliance” and “Business — Risk Management and Internal Control” in this document.

Save as disclosed in the paragraph headed “Business — Non-compliance”, we are advised by our PRC Legal Advisers that, during the Track Record Period and as at the Latest Practicable Date, we had complied with relevant PRC laws and regulations in all material respects.

IMPACT OF THE OUTBREAK OF COVID-19 ON OUR BUSINESS

In response to the COVID-19 outbreak, the PRC Government implemented strict measures to control the outbreak in the PRC, including schools and businesses closures, transport suspension and city lockdowns. The COVID-19 outbreak has affected our business operations in the following aspects:

- our Nanchang Plant and Guangchang Plant suspended production for 13 days and 15 days, respectively, in February 2020;

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- our revenue slightly decreased in FY2020, as COVID-19 negatively affected the trading sales to our customers. For details, please refer to the paragraph headed “Financial Information — Description of Selected Items in Combined Statements of Profit or Loss and Other Comprehensive Income — Revenue” in this document; and
- we incurred additional administrative expenses to purchase personal protection equipment and put in place other precautionary measures to ensure the health and safety of our employees.

As the outbreak of COVID-19 became relatively contained and stabilised in the PRC in 2021, our revenue has rebounded in FY2021 and reached approximately RMB342.0 million. Please refer to the paragraph headed “Financial Information — Description of Selected Items in Combined Statement of Profit or Loss and Other Comprehensive Income — Revenue” in this document for further details of the financial impact caused by COVID-19 on our Group. Our Directors confirm that, since February 2020 and up to the Latest Practicable Date, our operations, including procurement of raw materials from suppliers, product development and production at our production facilities, sales and delivery of our products to customers, and sales over concessionary counters in supermarkets were not materially affected by the outbreaks of COVID-19.

For risks relating to the potential impact to our business due to COVID-19 outbreak, please refer to the paragraph headed “Risk Factors — Risks Relating to Our Business — The outbreak of COVID-19 adversely affected, and may continue to affect, the demand for our products, our business operations and financial conditions” in this document.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Subsequent to the Track Record Period and up to the Latest Practicable Date, we have continued to focus on manufacturing and trading of instant snacks and dried food products and there had not been any material change to our business model, product portfolio as well as revenue and cost structure. As at the Latest Practicable Date, five customers, out of which four are our top five customers in FY2021, had signed letters of intent with us confirming, generally, (i) their intention to increase their orders to us by 10% to 15% based on their purchase amount in FY2021; and (ii) their interests in ordering more instant vegetable and instant meat snack products, including new snack products to be launched, from us. In addition, since 1 January 2022 and up to the Latest Practicable Date, we had 43 new customers, comprising both retailers and corporate customers, with an aggregated sales order of approximately RMB1.8 million.

To expand our product portfolio, we also plan to introduce new snack food products such as quail eggs and quail meat snacks into the market. As at the Latest Practicable Date, we have been actively negotiating with the Management Committee of Nanchang Xiaolan Economic and Technological Development Zone (南昌小藍經濟技術開發區管委會), which had confirmed to us that they, as a support to our project and further development, intend to grant us a land parcel in Nanchang in favourable terms below the market price for production purpose. For details, please refer to the paragraph headed “Business — Business Strategies — Expansion of our production capacity and enriching our product offerings” in this document.

Our Directors confirm that since 31 December 2021 (being the end of the period reported in the Accountants’ Report in Appendix I to this document), and up to the Latest Practicable Date, there has been no material adverse change in our financial or trading position and prospects.