AGILE
雅居樂

AGILE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3383)

DISCLOSEABLE TRANSACTIONS
DISPOSAL OF EQUITY INTEREST IN AN ASSOCIATE AND CAPITAL REDUCTION OF THE ASSOCIATE

DISPOSAL OF EQUITY INTEREST IN AN ASSOCIATE AND CAPITAL REDUCTION OF THE ASSOCIATE

On 23 June 2025 (after trading hours), (i)Yaxin Investment (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with Guangdong Foodstuffs Export Group, pursuant to which Yaxin Investment conditionally agreed to sell and Guangdong Foodstuffs Export Group conditionally agreed to purchase the 35,522,798 shares of the Target Company (representing approximately 21.1632% equity interest of the Target Company) at a consideration of RMB191,219,220; and (ii) Yaxin Investment and the Target Company entered into the Repurchase Agreement, pursuant to which Yaxin Investment conditionally agreed to sell and the Target Company conditionally agreed to repurchase, by way of targeted capital reduction, of the 7,949,410 shares of the Target Company (representing approximately 4.7360% equity interest of the Target Company) at a consideration of RMB42,791,700.

As at the date of this announcement, the Group indirectly held approximately 25.8991% shares of the Target Company through Yaxin Investment, and therefore the Target Company is an associate of the Company. Upon completion of the Disposal and the Repurchase, the Group will not hold any shares of the Target Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SALE AND PURCHASE AGREEMENT AND THE REPURCHASE AGREEMENT

In March 2023, Agile Realty issued "23 Panya 02" Bonds, which are jointly and severally guaranteed on a full, unconditional and irrevocable basis by the Company and Join-Share, while the equity interest held by Yaxin Investment in the Target Company has been pledged to Join-Share as a counter-guarantee provided to it. The Group intends to apply the proceeds of RMB191,219,220 from the Disposal to repay the bondholders of "23 Panya 02" Bonds all principals and interests thereon. Meanwhile, the Group intends to apply the proceeds from the Repurchase for the daily operations and management of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the Disposal and the Repurchase is above 5% but below 25%, the Disposal and the Repurchase constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules, but are exempted from the requirements of Shareholders' approval.

The Board is pleased to announce that on 23 June 2025 (after trading hours), (i) Yaxin Investment (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with Guangdong Foodstuffs Export Group, pursuant to which Yaxin Investment conditionally agreed to sell and Guangdong Foodstuffs Export Group conditionally agreed to purchase the 35,522,798 shares of the Target Company (representing approximately 21.1632% equity interest of the Target Company) at a consideration of RMB191,219,220; and (ii) Yaxin Investment and the Target Company entered into the Repurchase Agreement, pursuant to which Yaxin Investment conditionally agreed to sell and the Target Company conditionally agreed to repurchase, by way of targeted capital reduction, the 7,949,410 shares of the Target Company (representing approximately 4.7360% equity interest of the Target Company) at a consideration of RMB42,791,700.

SALE AND PURCHASE AGREEMENT

Date

23 June 2025

Parties

(a) Guangdong Foodstuffs Export Group (holding approximately 31.6440% equity interest of the Target Company as at the date of this announcement); and

(b) Yaxin Investment (holding approximately 25.8991% equity interest of the Target Company as at the date of this announcement)

Subject Matter, Basis of Determining Consideration and Payment

Yaxin Investment conditionally agreed to sell and Guangdong Foodstuffs Export Group conditionally agreed to purchase the 35,522,798 shares of the Target Company (representing approximately 21.1632% equity interest of the Target Company) at a consideration of RMB191,219,220.

The consideration for the Disposal under the Sale and Purchase Agreement was determined by parties through arm's length negotiation with reference to the appraised value of all shareholders' equity of the Target Company as at the Valuation Base Date (being RMB905,271,100) as set out in the Valuation Report issued by the Valuer adopting the income approach as the valuation method. For further details of the Valuation Report, please refer to the appendix to this announcement.

Guangdong Foodstuffs Export Group shall, after all conditions precedent described below have been satisfied or waived, pay to the special account for bonds repayment of the Shanghai Branch of China Securities Depository and Clearing Corporation Limited of RMB191,219,220 within three Business Days upon receipt of the notice from Yaxin Investment. Such amount will be specifically applied to repay all principal and interest on the bonds to the bondholders of "23 Panya 02" Bonds. Such payment shall be deemed as the payment by Guangdong Foodstuffs Export Group to Yaxin Investment of the consideration for the Disposal under the Sale and Purchase Agreement.

Conditions Precedent

Unless a consent to waiver is obtained from Guangdong Foodstuffs Export Group, Guangdong Foodstuffs Export Group's payment of the consideration for the Disposal under the Sale and Purchase Agreement shall be conditional upon the satisfaction of all of the following conditions:

(a) all parties have executed the transaction documents in respect of the Disposal;

(b) all parties have obtained approvals, consents or waivers from all relevant government authorities, third-party and internal institutions with decision-making power for the execution and performance of the Sale and Purchase Agreement;

(c) legal and valid resolutions have been passed at the shareholders' meeting of the Target Company to approve the Disposal, including amendments to the articles of association of the Target Company;

(d) there does not exist, nor has there been any potential claim initiated by any governmental authority or filed by any third party with any governmental authority against any party to the Sale and Purchase Agreement that seeks to restrict the Disposal or materially adversely affect the conditions for the Disposal, and which, in the reasonable judgment of Guangdong Foodstuffs Export Group, may render the Disposal incapable of completion or unlawful; nor does there exist any PRC law or governmental order from any authority that restricts, prohibits or invalidates the Disposal;

(e) none of the parties has breached its representations, warranties or undertakings under the transaction documents of the Sale and Purchase Agreement; and

(f) all representations and warranties made by the parties in the transaction documents relating to the Disposal are true, accurate, complete, not misleading, and have been duly performed.

If the foregoing conditions precedent are not satisfied or waived in full on or before the 30th day following the date of executing the Sale and Purchase Agreement, either party shall have the right to terminate the Sale and Purchase Agreement by giving a written notice to the other party.

The Sale and Purchase Agreement shall be established upon execution by the legal representatives or authorized representatives of each party with the affixation of their common seals, and shall come into effect on the date when all of the following conditions precedent are satisfied:

(a) Approval has been obtained in respect of the Disposal by Guangdong Foodstuffs Export Group through its internal decision-making procedures; and

(b) The Disposal has been reviewed and approved by the shareholders' meeting of the Target Company.

Completion

Upon Guangdong Foodstuffs Export Group's full payment of the consideration for the Disposal under the Sale and Purchase Agreement, the handover of the Target Company's operations and management shall commence. Upon completion of such handover between Yaxin Investment and Guangdong Foodstuffs Export Group, both parties shall execute a confirmation letter to acknowledge the completion of the handover without dispute.

Yaxin Investment shall, within two Business Days upon Guangdong Foodstuffs Export Group's full payment of the consideration for the Disposal under the Sale and Purchase Agreement, submit together with the Target Company to the relevant authorities an application for the release of the Equity Pledge of the Target Company and the documents required for the registration of amending the articles of association, and shall ensure that such application and registration are completed on the same day.

REPURCHASE AGREEMENT

Date

23 June 2025

Parties

(a) Target Company;

(b) Yaxin Investment (holding approximately 25.8991% equity interest of the Target Company as at the date of this announcement); and

(c) Guangdong Foodstuffs Export Group

Subject Matter, Basis of Determining Consideration and Payment

The Target Company has conditionally agreed to repurchase, by way of targeted capital reduction, from Yaxin Investment the 7,949,410 shares it held in the Target Company (representing approximately 4.7360% equity interest of the Target Company) at a consideration of RMB42,791,700.

The consideration for the Repurchase under the Repurchase Agreement was determined by parties through arm's length negotiation with reference to the appraised value of all shareholders' equity of the Target Company as at the Valuation Base Date (being RMB905,271,100) as set out in the Valuation Report issued by the Valuer adopting income approach as the valuation method. For further details of the Valuation Report, please refer to the appendix to this announcement.

The Target Company shall pay to Yaxin Investment the consideration for the Repurchase within two Business Days upon completion of the industrial and commercial registration procedures for the capital reduction in relation to in the Repurchase (subject to satisfaction of the conditions precedent set forth below and in any event no later than 30 October 2025).

Conditions Precedent

The performance of the Repurchase by the Target Company shall be conditional upon the satisfaction of all of the following conditions:

(a) the Disposal has been completed;

(b) all registrations on the Equity Pledge of the Target Company have been released, and no pledges, judicial freezes or third-party rights have been created on such shares held by Yaxin Investment;

(c) Yaxin Investment has completed the handover of the Target Company's operations and management to Guangdong Foodstuffs Export Group in accordance with the Sale and Purchase Agreement;

(d) legal and valid resolutions have been passed at the shareholders' meeting of the Target Company to approve the Repurchase, including amendments to the articles of association of the Target Company;

(e) all parties have obtained approvals, consents or waivers from all relevant government authorities, third-party and internal institutions with decision-making power for the execution and performance of the Repurchase Agreement;

(f) there does not exist, nor has there been any potential claim initiated by any governmental authority or filed by any third party with any governmental authority against any party to the Repurchase Agreement that seeks to restrict the Repurchase or materially adversely affect the conditions for the Repurchase, and which, in the reasonable judgment of the Target Company, may render the Repurchase incapable of completion or unlawful; nor does there exist any PRC law or governmental order from any authority that restricts, prohibits or invalidates the Repurchase;

(g) prior to the completion of the industrial and commercial registration procedures for the capital reduction relating to the Repurchase, there shall not have occurred one or more events that would have a material adverse effect on the Target Company or the Repurchase, and there is no evidence of the occurrence of such event(s) that would cause a material adverse effect.

The Repurchase Agreement shall be established upon execution by the legal representatives or authorized representatives of each party with the affixation of their common seals, and shall come into effect on the date when the Repurchase has been approved by the Target Company through its internal decision-making procedures (including shareholders' meeting).

Completion

Upon satisfaction of the above conditions precedent, each party shall, in accordance with the Repurchase Agreement and applicable laws, initiate the procedures for announcement and industrial and commercial registration in respect of the targeted capital reduction within three Business Days, and shall proactively cooperate to complete the cancellation procedures and capital reduction process relating to the Repurchase.

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in property development and property management in the PRC.

Yaxin Investment

Yaxin Investment is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement. Yaxin Investment is principally engaged in supply chain management services; business management consulting; sales of daily necessities; wholesale of daily necessities; commercial complex management services; advertising design, agency; project planning and public relations services; marketing planning; financing advisory services; information consulting services (excluding licensed information consulting services); and engaging in investment activities with its own funds.

Guangdong Foodstuffs Export Group

Guangdong Foodstuffs Export Group is a company established in the PRC with limited liability. It is principally engaged in four major segments: condiments, livestock, trading, and investments, and continues to deepen the food field, driven by the development of the food industry and the investment in the food industry. Through investment and mergers and acquisitions and diversified layout, it has 24 wholly-owned subsidiaries and holding companies, and it has always maintained a leading position in the country in the following four aspects, namely the soy sauce export volume, live pig exports to Hong Kong and Macao, Coca-Cola production and sales, and food cold chain advancement. Its products are sold in more than 100 countries and regions around the world. As at the date of this announcement, Guangdong Foodstuffs Export Group is a direct wholly-owned subsidiary of 廣東省廣新控股集團有限公司 (Guangdong Guangxin Holdings Group Ltd.***), which is directly held as to 90% and 10% by the People's Government of Guangdong Province and the Department of Finance of Guangdong Province, respectively.

Target Company

The Target Company is a joint stock company established in the PRC with limited liability. It is primarily engaged in the research and development, production and sales of condiments including high-salt dilute-state soy sauce, vinegar, and compound seasonings.

As at the date of this announcement, (i) the Target Company is a consolidated subsidiary of Guangdong Foodstuffs Export Group, which serves as its controlling shareholder holding approximately 31.6440% equity interest of the Target Company; (ii) Yaxin Investment holds approximately 25.8991% equity interest of the Target Company; and (iii) the remaining approximately 42.4569% of the equity interest is held by 5 companies and partnerships and 22 individual shareholders (each shareholder holds no more than one-third of the equity interest in the Target Company). To the best knowledge, information and belief of the Directors after making all reasonable enquiries, the Target Company, its shareholders (other than Yaxin Investment) and their ultimate beneficial owners are independent third parties.

The table below sets forth the consolidated financial information of the Target Company for two financial years ended 31 December 2024 prepared under Chinese Generally Accepted Accounting Principles:

	For the financial year ended 31 December	
	2024	**2023**
	(audited)	(audited)
	(RMB)	*(RMB)*
Profits before income tax	approximately 33,212,000	approximately 39,556,000
Profits after income tax	approximately 30,242,000	approximately 35,213,000

The total assets and net asset of the Target Company as of 31 December 2024 were RMB872,309,134.58 and RMB598,381,500.00, respectively.

FINANCIAL IMPACT OF THE DISPOSAL AND THE REPURCHASE

As at the date of this announcement, the Group indirectly held approximately 25.8991% shares of the Target Company through Yaxin Investment, and therefore the Target Company is an associate of the Company. Upon completion of the Disposal and the Repurchase, the Group will not hold any shares of the Target Company.

Upon completion of the Disposal and the Repurchase, the Group is expected to record an estimated loss of approximately RMB26,303,000. The estimated loss is calculated with reference to the fair value of the approximately 25.8991% equity interest held by the Group in the Target Company (being the consideration for the Disposal and the Repurchase) as at the date of the Sale and Purchase Agreement and the Repurchase Agreement after deducting the net carrying amount of the investment by the Group in the Target Company in an amount of approximately RMB260,314,000 as calculated under unaudited equity method. The actual financial impact to be recorded by the Group from the Disposal and the Repurchase is subject to the review and final audit by the Company's auditor.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SALE AND PURCHASE AGREEMENT AND THE REPURCHASE AGREEMENT

In March 2023, Agile Realty issued "23 Panya 02" Bonds, which are jointly and severally guaranteed on a full, unconditional and irrevocable basis by the Company and Join-Share, while the equity interest held by Yaxin Investment in the Target Company has been pledged to Join-Share as a counter-guarantee provided to it. The Group intends to apply the net proceeds from the Disposal to repay the bondholders of "23 Panya 02" Bonds all principals and interests thereon. Meanwhile, the Group intends to apply the proceeds from the Repurchase for the daily operations and management of the Group.

The Directors are of the view that the entering into of the Sale and Purchase Agreement and the Repurchase Agreement is conductive to mitigating liquidity pressure and managing debts. The terms of the Sale and Purchase Agreement and the Repurchase Agreement are fair and reasonable, and the Disposal and the Repurchase are in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio in respect of the Disposal and the Repurchase is above 5% but below 25%, the Disposal and the Repurchase constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules, but are exempted from the requirements of Shareholders' approval.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Agile Realty"	廣州番禺雅居樂房地產開發有限公司 (Guangzhou Panyu Agile Realty Development Co., Ltd.), a joint stock company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"Board"	the board of Directors
"Business Day"	any day excluding Saturdays, Sundays and statutory holidays as stipulated by the PRC government
"Company"	Agile Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3383)
"connected person"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the transactions under the Sale and Purchase Agreement, namely the disposal of the 35,522,798 shares of the Target Company by Yaxin Investment to Guangdong Foodstuffs Export Group on terms of the Sale and Purchase Agreement
"Equity Pledge of the Target Company"	the pledge by Yaxin Investment of the equity interest it held in the Target Company to Join-Share at the time of issuance of "23 Panya 02" Bonds as a counter-guarantee provided to it
"Group"	the Company and its subsidiaries
"Guangdong Foodstuffs Export Group"	廣東省食品進出口集團有限公司 (GUANGDONG FOODSTUFFS IMP. & EXP. GROUP CO., LTD.***), a company established in the PRC with limited liability
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	person(s) or company(ies) who/which is (are) independent of the Company and its connected person(s)

"Join-Share"	廣東中盈盛達融資擔保投資股份有限公司 (Guangdong Join-Share Financing Guarantee Investment Co., Ltd.***), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (stock code: 1543)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"PRC"	the People's Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Repurchase"	the transactions under the Repurchase Agreement, namely the repurchase by the Target Company of the 7,949,410 shares of the Target Company from Yaxin Investment by way of targeted capital reduction under the terms of the Repurchase Agreement
"Repurchase Agreement"	the repurchase agreement dated 23 June 2025 entered into between Yaxin Investment and the Target Company, pursuant to which Yaxin Investment conditionally agreed to sell and the Target Company conditionally agreed to repurchase, by way of targeted capital reduction, the 7,949,410 Shares of the Target Company, representing approximately 4.7360% equity interest of the Target Company
"RMB"	Renminbi, the lawful currency of the PRC
"Sale and Purchase Agreement"	the sale and purchase agreement dated 23 June 2025 entered into between Yaxin Investment and Guangdong Foodstuffs Export Group, pursuant to which Yaxin Investment conditionally agreed to sell and Guangdong Foodstuffs Export Group conditionally agreed to purchase the 35,522,798 shares of the Target Company, representing approximately 21.1632% equity interest of the Target Company
"Shareholders"	shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	廣東珠江橋生物科技股份有限公司 (Guangdong PRB Bio-Tech Co., Ltd.), a joint stock company established in the PRC with limited liability

"Valuer"	廣東聯信資產評估土地房地產估價有限公司 (Guangdong Union Trust Evaluation Co., Ltd.***), an independent and qualified valuer
"Valuation Base Date"	31 December 2024
"Valuation Report"	the valuation report issued by the Valuer in respect of the valuation of all shareholders' equity interest of the Target Company on the Valuation Base Date
"Yaxin Investment"	廣東雅新產業投資有限公司 (Guangdong Yaxin Industrial Investment Co., Ltd.***), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
"23 Panya 02 Bonds"	the corporate bonds (tranche 1) (type 2) publicly issued by Agile Realty to professional investors in March 2023, which are abbreviated as "23 Panya 02", with a total issue size of RMB200 million and bond coupon rate of 5.0%. The bonds have a term of 2 years with a maturity date on 28 March 2025, and carry a 90-calendar-day grace period and are jointly and severally guaranteed on a full, unconditional and irrevocable basis by the Company and Join-Share"
"%"	per cent.

By Order of the Board
Agile Group Holdings Limited
KO Tsz San
Company Secretary

Hong Kong, 24 June 2025

As at the date of this announcement, the Board comprises nine members, being Mr. Chen Zhuo Lin (Chairman and President), Mr. Chan Cheuk Hung*, Mr. Huang Fengchao*, Madam Yue Yuan*, Mr. Chan Cheuk Hei**, Mr. Chan Cheuk Nam**, Mr. Kwong Che Keung, Gordon#, Mr. Hui Chiu Chung, Stephen# and Dr. Peng Shuolong#.*

* *Executive Directors*

** *Non-executive Directors*

\# *Independent Non-executive Directors*

*** *for translation and identification purposes only as there is no official translation*

APPENDIX — FURTHER INFORMATION ON THE VALUATION REPORT

The consideration for the Disposal under the Sale and Purchase Agreement and the Repurchase under the Repurchase Agreement was determined by parties through arm's length negotiations with reference to the appraised value of all shareholders' equity of the Target Company as at the Valuation Base Date as set out in the Valuation Report prepared by the Valuer using the income approach. Given that the Target Company is not a subsidiary of the Company, the requirements of Rule 14.60A of the Listing Rules in relation to profit forecast were not applicable. The Board has reviewed and considered the Valuation Report, including the key assumptions upon which the Valuation Report is based and the valuation method adopted. The Board is of the view that the Valuation Report has been made after due and careful review and the appraisal results are fair and reasonable.

A. Valuation Assumptions

The key assumptions (including business assumptions) presented in the Valuation Report are set out below:

(I) Basic Assumptions

1. *Transaction assumption*

   The transaction assumption assumes that all the assets to be appraised are already in the process of transaction, and the Valuer carries out the valuation based on a simulated market which involves the transaction conditions of the assets to be appraised. The transaction assumption is the most basic premise assumption for asset valuation.

2. *Open market assumption*

   The open market assumption assumes that both parties to the assets traded or intended to be traded in the market are of equal status to each other, and both parties have the opportunity and time to obtain sufficient market information in order to make rational judgments about the functions, uses, and trading prices of the assets. The open market assumption is based on the assets being capable of being publicly traded in the market.

3. *Continuous use of assets assumption*

   The continuous use of assets assumption refers to that the valuation method, parameters and basis are to be determined on the condition that the appraised asset can be used continuously without any change or with certain changes of, its exiting purpose, method, scale, frequency and environment of application.

4. *Going concern assumption*

The going concern assumption refers to that Guangdong PRB Bio-Tech Co., Ltd. (hereinafter referred to as the "**Appraised Entity**") will continue as a going concern in line with its current mode of operation.

(II) General Assumptions

1. It is assumed that there is no material change to the national and local political, economic and social environments of the country and region where the Appraised Entity is located after the Valuation Base Date.

2. It is assumed that there is no material change to the national macroeconomic policies, industry policies and regional development policies after the Valuation Base Date.

3. It is assumed that there is no material change to the interest rates, exchange rates, tax bases, tax rates and policy levies related to the Appraised Entity after the Valuation Base Date.

4. It is assumed that the operator of the Appraised Entity is responsible, and its management has the capacity to assume and perform their duties. It is also assumed that the existing management, business, and technical team is relatively stable, or that changes in the management, business, and technical team has no significant impact on the Company's operation and management.

5. It is assumed that the Appraised Entity fully complies with all the relevant laws and regulations.

6. It is assumed that there is no material adverse impact on the Appraised Entity caused by force majeure after the Valuation Base Date.

7. It is assumed that there are no defects or contingencies which may affect the valuation conclusions that should have been provided by the client and the Appraised Entity but remain unavailable to the valuation professionals after they have fulfilled the requisite valuation procedures.

8. It is assumed that there is no litigation, mortgage, guarantee and other matters that will have a significant impact on the results of operations of the Appraised Entity.

(III) Special Assumptions

1. It is assumed that the accounting policies adopted by the Appraised Entity after the Valuation Base Date are consistent with the accounting policies adopted when preparing the Valuation Report in all material aspects.

2. It is assumed that the business scope and operating mode of the Appraised Entity are consistent with the current ones after the Valuation Base Date based on the existing management mode and management level.

3. It is assumed that no other force majeure factors and unforeseen factors will have a material adverse impact on operations of the Appraised Entity, and the Appraised Entity and the appraised assets maintain the same existing use and remains operational on the site.

4. It is assumed that the principal business, the composition of income and cost and the business strategies of the Appraised Entity in the future operating period will maintain their statuses as in recent years, without major changes. The profit or loss resulting from the changes in the conditions of the principal business due to changes in the management, business strategies and business environment etc. in the future have not been taken into consideration.

5. It is assumed that based on the actual inventories of the Appraised Entity as of the Valuation Base Date and the revenue is calculated on a fiscal year basis, the Appraised Entity will be able to continue as a going concern in the future. The revenue realization date of the Appraised Entity is the middle of each year, and the overall average revenue each year after 6 years is the same as that of the 6th year.

6. On 28 December 2023, the Appraised Entity was awarded the Certificate of High-tech Enterprise (Certificate No.: GR202344007568, with a validity period of three years) jointly by the Department of Science and Technology of Guangdong Province, the Department of Finance of Guangdong Province and the Guangdong Provincial Tax Service, State Taxation Administration. The Appraised Entity shall enjoy the relevant national preferential tax policies for high-tech enterprises for three consecutive years and will be subject to enterprise income tax at a rate of 15%. The subsidiaries of the Appraised Entity, namely 中山珠江橋食品有限公司 (Zhongshan Zhujiangqiao Food Co., Ltd.*), 中山珠江橋貿易有限公司 (Zhongshan Zhujiangqiao Trading Co., Ltd.*), 廣州珠江橋科技有限公司 (Guangzhou Zhujiangqiao Technology Co., Ltd.*) and 廣東珠江橋調味食品有限公司 (Guangdong Zhujiangqiao Seasoning Food Co., Ltd.*), shall enjoy the preferential policy on income tax for small and micro enterprises, with enterprise income tax levied at a rate of 20%, and the "six local taxes and two fees" reduction and exemption policy. The Appraised Entity qualifies for the "exemption, credit, and refund" method for VAT on exports of self-produced goods, with applicable export rebate rates of 13% or 9% depending on product categories. VAT is exempted for exports of other non-self-produced products. In the future operating forecasts of the enterprises under the income approach for this valuation, for the enterprise

income tax preferential policies for small and micro enterprises with a clear preferential period and the tax preferential policy of an additional 5% deduction of the payable VAT amount, it is assumed that the Appraised Entity can normally obtain the above tax preferential policies within the tax preferential period, and the forecast will be made by considering the end of the preferential policies after the expiration. In this valuation, for the tax preferential policies related to high-tech enterprises where there is no clear stipulation that they cannot be renewed after expiration, the VAT exemption, credit and refund method without a time limit, and the R&D expense additional deduction policy, it is assumed that the relevant policies will remain continuously effective. It is predicted that the Appraised Entity can continue to enjoy the relevant policy preferences in the future under the condition of meeting the requirements of the relevant policies.

7. The profit or loss resulting from the changes in the conditions of the principal business due to changes in the management, business strategies and business environment etc. in the future have not been taken into consideration in this valuation.

8. It is assumed that in the future no additional external investment will affect the production capacity of the enterprise.

9. It is assumed that the various business qualifications currently obtained by the Appraised Entity could successfully pass the examination and approval by relevant authorities after the expiration of the validity period, and the business qualifications remain valid.

10. Save as otherwise specified, neither the effect of any security and guarantee over the equity interests or underlying assets of the Appraised Entity on the appraised value, nor the effect of any changes in national macro-economic policies and occurrences of events of force of nature and other force majeure on the value of the assets, have been taken into consideration in this valuation.

B. Income Approach Valuation Forecasting and Estimation Process

The income approach is a valuation method that determines the value of valuation subject by capitalizing or discounting its expected income. With an enterprise-wide perspective and a focus on the company's profitability, this method involves analyzing, judging, and forecasting the company's future income, and after considering its operational and market risks, selecting an appropriate discount rate to discount the future income to arrive at the value of all shareholders' equity.

The discounted cash flow (DCF) method is a method for assessing asset value by discounting a company's future expected net cash flows to their present value. Cash flows can be measured in two ways: free cash flow to the firm (FCFF), which represents all cash flows generated by the company, and free cash flow to equity (FCFE), which represents cash flows attributable to shareholders. The indirect method and direct method are applicable to these two cash flow metrics, respectively.

This valuation employs the direct method within the DCF framework, which corresponds to FCFE (FCFE = net profit after tax + depreciation and amortization – capital expenditures – change in net working capital + increase or decrease in interest-bearing debt).

(1) Basic model of income approach

Based on the actual circumstances and under the going concern assumption, the basic model for the income approach in this valuation is:

$$E = P + C_i \quad (1)$$

Where: E: Value of all shareholders' equity

P: Value of operating assets

C_i: Value of surplus and non-operating assets and liabilities as of the Valuation Base Date.

Where the value of operating assets (P) is calculated as:

$$P = \sum_{i=0.5}^{n} \frac{R_i}{(1+r)^i} + \frac{R_{n+1}}{r(1+r)^n} \quad (2)$$

Where: R_i: Cash flow to equity of the Appraised Entity in Year i in the future

R_{i+1}: Cash flow to equity of the Appraised Entity in Year (n + 1) in the future

r: Discount rate;

i: Income period = 0.5, 1.5, 2.5, ..., n (mid-period discounting)

Where the free cash flow to equity (R)

R = net profit after tax + depreciation and amortization – capital expenditures – change in net working capital + increase or decrease in interest-bearing debt

This valuation forecasts the future income of the Appraised Entity in two stages. First, the cash flow to equity for each year in the initial stage (from 1 January 2025 to 31 December 2030) are forecasted on a year-by-year basis. Second, it is forecasted that the Appraised Entity will enter a stable period in the subsequent stage (from 2031 to perpetuity) and maintain the expected income level of the final year of the initial stage (2030), and estimate the stable cash flow to equity for the latter stage. Finally, the cash flows from both stages are discounted and summed to obtain the value of the Appraised Entity's operating assets.

(2) Determination of the Discount Rate

This valuation uses the capital asset pricing model (CAPM) to determine the discount rate (r).

$r = r_f + ß \times ERP + r_c$

Where: r: Rate of return on equity capital

r_f: Risk-free rate of return

r_c: Specific risk adjustment factor for the Appraised Entity

β : Expected market risk factor for the Appraised Entity's equity capital

ERP: Equity risk premium

The valuation method used in this valuation does not involve market cases, and the determination of the discount factor based on the actual situation of the enterprise is specified below:

(1) Risk-free rate of return

The risk-free rate of return is the compensation for the time value of money. The risk-free rate of return for this valuation was determined by taking the average yield of treasury bonds with a remaining maturity of more than 10 years based on the yield to maturity of treasury bonds on December 31, 2024 as queried on Tonghuashun FinD, and the risk-free rate of return (Rf) for this valuation is taken as 2.10%.

No.	Stock Code	Stock Name	Yield to Maturity Date of transaction 20241231 Calculation Method Central Bank Rules Unit %	Remaining Term (year) Date 20241231
1	070006.IB	07 treasury bonds 06	1.9471	12.3753
2	080006.IB	08 treasury bonds 06	1.8041	13.3507
3	080020.IB	08 treasury bonds 20	1.8232	13.811
4	090005.IB	09 interest-bearing treasury bonds 05	2.0723	14.2712

No.	Stock Code	Stock Name	Yield to Maturity Date of transaction 20241231 Calculation Method Central Bank Rules Unit %	Remaining Term (year) Date 20241231
5	090025.IB	09 interest-bearing treasury bonds 25	2.2701	14.789
…	…	…	…	…
65	2400002.IB	24 special treasury bonds 02	1.9873	19.3973
66	2400003.IB	24 special treasury bonds 03	2.0050	49.4548
67	2400004.IB	24 special treasury bonds 04	2.0100	29.5644
68	2400005.IB	24 special treasury bonds 05	1.9801	19.6219
69	240007.IB	24 interest-bearing treasury bonds 07	1.9002	49.2301
***		Average	2.10	

(2) The risk coefficient of the enterprise (β)

β serves as an indicator to measure the systematic risk of the industry in which a company operates, and is usually replaced by the β of the company's stock published by commercial data service organizations. First of all, for this valuation, with regard to the "food manufacturing industry" to which the subject of valuation belongs in the Chinese securities market, a query was conducted via Tonghuashun FinD. The result showed that the industry — weighted, unlevered (adjusted for financial leverage) β coefficient is 0.8930, and then the risk coefficient of the enterprise (βe)of the Appraised Entity was determined by combining the following formula and the income tax rate of the enterprise under valuation.

$$\beta e = \beta t \times \left[1 + (1 - T) \times \frac{D}{E}\right]$$

Where: βe: β with financial leverage;

βt: β without financial leverage;

T: income tax rate of the appraised corporation;

D/E: Interest-bearing debt/equity value ratio (using own D/E)

(3) Determination of equity risk premium (ERP)

Equity risk premium (ERP) represents the risk compensation that investors demand for investing in a relatively high — risk capital market, which is higher than the risk-free rate of return. The stock exchange share price index is a reference index compiled by the stock exchange to reflect the fluctuations in the stock market. It is a comprehensive stock price index determined based on stocks listed on the exchange, taking them as the calculation scope. The rate of return on the stock exchange stock price index is calculated to reflect the rate of return on stock investments in the stock market. Combined with the risk-free rate of return, we can be used to determine the equity risk premium (ERP).

Currently, the major stock exchange stock price index used in the domestic securities market to reflect the stock market are the SSE Composite Index (999999) and the SZSE Component Index (399001), of which the SSE Composite Index (999999) is a weighted comprehensive stock price index compiled by the Shanghai Stock Exchange with all the stocks listed on the Shanghai Stock Exchange as its calculation scope and the number of shares in circulation as the weighting factor; the SZSE Component Index (399001) is the main stock index of the Shenzhen Stock Exchange, which is a stock price index compiled by adopting the comprehensive method by selecting 40 representative listed companies as constituent stocks according to certain criteria and using the number of outstanding constituent stocks as the weighting factor. Therefore, in this valuation, the index returns calculated based on the geometric mean of the SSE Composite Index (999999) and the SZSE Component Index (399001) were selected as the indicators of stock investment returns, and the average of these two indicators was determined to be the market expected return rate (R_m).

The estimation of risk-free rate of return (R_f) adopts the yield to maturity of treasury bonds as the risk-free rate of return. The selection criteria for the sample are treasury bonds with a remaining maturity of more than 10 years at the end of each year. Finally, the average yield to maturity of all selected treasury bonds is used as the risk-free rate of return (R_f) at the end of each year.

For this valuation, we gathered the annual indices of the SSE Composite Index (999999) and the SZSE Component Index (399001). The annual index returns for the SSE Composite Index (999999) and the SZSE Component Index (399001) from 2013 to 2024 were calculated separately based on the geometric average. We determined the annual stock market returns (R_m) for each year by taking the arithmetic average of these calculated annual index returns. By comparing these annual stock market returns (R_m) with the respective annual risk-free rates of return (R_f), we obtained the Equity Risk

Premium (ERP) for each year. Based on the above calculation, we adopted the arithmetic average of the annual equity risk premium (ERP) as the current risk return rate of the domestic stock market, resulting in a market risk premium of 6.60%.

(4) Determination of the company-specific risk adjustment factor (R_c)

The determination of the company-specific risk adjustment factor (R_c) requires the Appraised Entity to focus on the following key factors: business operation risks, financial risks, management risks and other risks of the Company, among others. Based on a comprehensive analysis, the company-specific risk adjustment factor (R_c) for the Appraised Entity is determined to be 2.00%.

(5) Determination of the cost of equity capital (r)

Based on the parameters as determined above, the cost of equity capital is calculated as follows:

Project Name	**2025**	**2026**	**2027**	**2028**	**2029**	**2031 to perpetuity**
βt: β with financial leverage	0.8930	0.8930	0.8930	0.8930	0.8930	0.8930
Income tax rate	8.96%	6.39%	10.15%	11.48%	12.27%	12.72%
D/E: Interest-bearing debt/ equity value ratio	10.312%	10.312%	10.312%	10.312%	10.312%	10.312%
βe: Levered financial β	0.9768	0.9717	0.9717	0.9717	0.9717	0.9717
r_c: Company-specific risk adjustment factor	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Discount rate	10.55%	10.51%	10.51%	10.51%	10.51%	10.51%

(3) Determination of the Income Period

The value of an asset is manifested in its ability to generate future income and is directly linked to the length of the future income period. Overall, it should cover the entire income-generating (or benefiting) period of the asset under valuation. From the perspective of the entire benefiting year, it can be a combination of a finite and an infinite period. Under the going concern assumption, if it is not possible to predict whether relevant restrictive policies or regulations that may affect the continued operation of the industry in which the company operates can be lifted, an infinite period (perpetuity method) may be used to determine the income period when calculating its income.

The forecastable period is from 2025 to 2030. It is assumed that after 2030, the business of the Appraised Entity will basically enter a relatively stable period. Therefore, no growth is considered for the annual cash flows after the explicit forecast period, and the cash flows of 2030 will be used as the cash flows for each year in the perpetual period or finite period.

(4) Main Reasons for Appreciation in Income Approach Valuation

The income approach takes the expected incomes of assets as the standard of appraisal, and reflects the size of the output capacity (profitability) of assets, but such profitability is usually affected by various conditions, such as macroeconomic circumstances, governmental control and effective usage of assets, and it is not only various tangible assets that contribute to the expected incomes of the enterprise, but also other off-balance-sheet intangible assets. It also takes into consideration the impact on the total shareholders' equity value arising from factors not reflected in the balance sheet, such as preferential policies enjoyed by the enterprise, operational qualifications, industry competitiveness; the company's management level, human resources; and the synergy among various production factors.

C. Selection of Valuation Method

In the Valuation Report, the Valuer adopted the income approach and the asset-based approach to assess the value of all shareholders' equity of the Appraised Entity and selected the result of the income approach as the final valuation conclusion. The differences between the two valuation results are shown in the table below:

Unit: RMB

Valuation Method	**Book Value**	**Appraised Value**
Income Approach	598,381,500	905,271,100
Asset-based Approach		911,881,500
Difference		6,610,400

The main reasons for the difference between the results of the two valuation methods are as follows:

1. The asset-based approach is a valuation method that derives the valuation result based on the assets and liabilities objectively existing at the Valuation Base Date by evaluating each item one by one. Generally, it considers various assets recorded in the books of the Appraised Entity, sums up the appraised values of all element assets constituting the enterprise, and subtracts the appraised value of liabilities to obtain the net asset value of the enterprise.

2. The income approach, from the perspective of the company's future profitability, reflects the comprehensive profit-generating capacity of all its assets. It not only considers factors such as whether each component asset is reasonably and fully utilized within the enterprise, and whether the assets demonstrate their due contribution when combined, which affect the value of all shareholders' equity of the enterprise. It also takes into account the influence of

factors that cannot be considered by the asset-based approach, such as the enterprise's operational qualifications, industry competitiveness, management level, and human resources, on the value of all shareholders' equity of the enterprise.

3. The scope of corporate value manifested by the two methods is different. Intangible resources owned by the company, such as operating qualifications, customer resources, contractual rights, R&D capabilities, management team, human resources, and goodwill, are difficult to measure and quantify individually in the asset-based approach. The asset-based approach also fails to better consider the synergistic effects generated by the combination of various assets. In contrast, the income approach can objectively and comprehensively reflect the value of all shareholders' equity of the Appraised Entity. This results in a difference between the valuation results of the two methods.

The results of the two valuation methods are quite close, which serve to mutually validate each other. Based on the industry and operating characteristics of the Appraised Entity, the result of the income approach, which has been arrived at from the perspective of the Appraised Entity's future profitability, reflects its comprehensive profit-generating capacity, including intangible assets such as channel expansion and operational capabilities. Therefore, the Valuer has selected the valuation conclusion from the income approach as the valuation conclusion in the Valuation Report.

* *for translation and identification purposes only as there is no official translation*