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LUCION

Shandong International Trust Co., Ltd.

山東省國際信託股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1697)

DISCLOSEABLE AND CONNECTED TRANSACTIONS TRANSFERS OF FUND INTERESTS

The Board is pleased to announce that on 12 September 2025 (after trading hours), the Company entered into the Parent Fund Transfer Agreement and the Wanhe Fund Transfer Agreement with Lucion Venture Capital and Shandong High-Tech respectively, pursuant to which the Company has conditionally agreed to sell, and Lucion Venture Capital and Shandong High-Tech respectively have conditionally agreed to acquire, the Target Interests in Parent Fund and the Target Interests in Wanhe Fund at a consideration of RMB166.3849 million and RMB37.1588 million respectively.

Pursuant to Chapter 14 of the Listing Rules, the transfers of the Fund Interests constitute notifiable transactions of the Company. As Lucion Venture Capital and Shandong High-Tech are subsidiaries of Lucion Group, the controlling shareholder of the Company (which directly holds approximately 48.13% and indirectly holds approximately 4.83% of the total issued Shares), they are connected persons of the Company under the Listing Rules. Accordingly, the transfers of the Fund Interests constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transfers of the Fund Interests exceeds 5% while all application percentage ratios are below 25%, the transfers of the Fund Interests constitute disclosable transactions and connected transactions of the Company, and are therefore subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

A general meeting will be convened by the Company to, inter alia, consider and approve, if thought fit, the transfers of the Fund Interests and the Transfer Agreements. Pursuant to the requirements of the Listing Rules, a circular containing, inter alia, (i) further details on the transfers of the Fund Interests and the Transfer Agreements; (ii) a letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter from Lego Corporate Finance to the Independent Board Committee and the Independent Shareholders; and (iv) other information required by the Listing Rules, together with a notice of the general meeting, will be dispatched to Shareholders within 15 business days from the date of publication of this announcement (i.e. on or before 6 October 2025).

The Board is pleased to announce that on 12 September 2025 (after trading hours), the Company entered into the Parent Fund Transfer Agreement and the Wanhe Fund Transfer Agreement with Lucion Venture Capital and Shandong High-Tech respectively, pursuant to which the Company has conditionally agreed to sell, and Lucion Venture Capital and Shandong High-Tech have respectively conditionally agreed to acquire, the Target Interests in Parent Fund and the Target Interests in Wanhe Fund at a consideration of RMB166.3849 million and RMB37.1588 million respectively.

PARENT FUND TRANSFER AGREEMENT

The terms and conditions of the Parent Fund Transfer Agreement are summarised below:

Date

12 September 2025

Parties

(i) the Company; and

(ii) Lucion Venture Capital

Target of Transfer

Pursuant to the Parent Fund Transfer Agreement, the Company has conditionally agreed to sell and Lucion Venture Capital has conditionally agreed to acquire the Target Interests in Parent Fund, being the limited partnership interest held by the Company in respect of its originally subscribed capital contribution of RMB182 million, representing 18.2% of the total interest in Parent Fund. Parent Fund has subsequently returned certain capital contribution to the partners on a pro rata basis, including the Company. As at the Valuation Reference Date, approximately RMB66.32 million of the Company's capital contribution in Parent Fund has been returned to the Company, and the remaining contribution held by the Company after return of capital was RMB115.68 million, representing 18.2% of the total interest in Parent Fund.

Consideration and Payment

The consideration payable by Lucion Venture Capital for the transfer of the Target Interests in Parent Fund is RMB166.3849 million. The consideration for the transfer of the Target Interests in Parent Fund shall be fully paid by Lucion Venture Capital to the Company in cash within 20 business days from the effective date of the Parent Fund Transfer Agreement, provided that the following conditions are fulfilled:

(1) the formal execution of the Parent Fund Transfer Agreement;

(2) the completion of internal approval procedures and other regulatory approvals (if applicable) having been obtained in respect of the transfer of the Target Interests in Parent Fund by the Company and Lucion Venture Capital respectively;

(3) the compliance with relevant requirements under the Listing Rules and approval of the Independent Shareholders (if applicable) having been obtained in respect of the transfer of the Target Interests in Parent Fund by the Company; and

(4) the transfer of the Target Interests in Parent Fund by the Company having been approved by the internal governing body of Parent Fund.

None of the conditions stated above can be waived. As at the date of this announcement, conditions (1) and (2) have been fulfilled. No regulatory approval is required for conducting the transfer.

Completion

The Company shall facilitate the completion of the change procedures with the industry and commercial authorities within 20 business days from receipt of the consideration for the transfer of the Target Interests in Parent Fund.

Any profits, losses or risks attributable to or arising from the Target Interests in Parent Fund during the period from the Valuation Reference Date to the completion date for the transfer of the Target Interests in Parent Fund shall be received or borne by Lucion Venture Capital.

In case any party to the Parent Fund Transfer Agreement breaches any provision therein, including but not limited to the violation of any of its representations, warranties, undertakings or other obligations stipulated therein, thereby resulting in failure in the full performance of the Parent Fund Transfer Agreement, the liabilities so arising shall be borne by the breaching party. In the event that all parties are in breach, each party shall be responsible for the corresponding portion of liabilities attributable to its respective breach. If any breach gives rise to any actual or reasonably foreseeable economic losses to the non-breaching party, the breaching party shall be liable to compensate the non-breaching party for such actual and reasonably foreseeable economic losses arising from the breach. Moreover, the non-breaching party shall be entitled to demand reimbursement from the breaching party for any costs incurred in pursuing remedies for the breach, including but not limited to all expenses associated with resolving relevant disputes.

WANHE FUND TRANSFER AGREEMENT

The terms and conditions of the Wanhe Fund Transfer Agreement are summarised below:

Date

12 September 2025

Parties

(i) the Company; and

(ii) Shandong High-Tech

Target of Transfer

Pursuant to the Wanhe Fund Transfer Agreement, the Company has conditionally agreed to sell and Shandong High-Tech has conditionally agreed to acquire the Target Interests in Wanhe Fund, being the limited partnership interest held by the Company in respect of its originally subscribed capital contribution of RMB40 million, representing 8.0% of the total interest in Wanhe Fund. Wanhe Fund has subsequently returned certain capital contribution to the partners on a pro rata basis, including the Company. As at the Valuation Reference Date, approximately RMB8.80 million of the Company's capital contribution in Wanhe Fund has been returned to the Company, and the remaining contribution held by the Company after return of capital was RMB31.20 million, representing 8.0% of the total interest in Wanhe Fund.

Consideration and Payment

The consideration payable by Shandong High-Tech for the transfer of the Target Interests in Wanhe Fund is RMB37.1588 million. The consideration for the transfer of the Target Interests in Wanhe Fund shall be fully paid by Shandong High-Tech to the Company in cash within 20 business days from the effective date of the Wanhe Fund Transfer Agreement, provided that the following conditions are fulfilled:

(1) the formal execution of the Wanhe Fund Transfer Agreement;

(2) the completion of internal approval procedures and other regulatory approvals (if applicable) having been obtained in respect of the transfer of the Target Interests in Wanhe Fund by the Company and Shandong High-Tech respectively;

(3) the compliance with relevant requirements under the Listing Rules and approval of the Independent Shareholders (if applicable) having been obtained in respect of the transfer of the Target Interests in Wanhe Fund by the Company; and

(4) the transfer of the Target Interests in Wanhe Fund by the Company having been approved by the internal governing body of Wanhe Fund.

None of the conditions stated above can be waived. As at the date of this announcement, conditions (1) and (2) have been fulfilled. No regulatory approval is required for conducting the transfer.

Completion

The Company shall facilitate the completion of the change procedures with the industry and commercial authorities within 20 business days from receipt of the consideration for the transfer of the Target Interests in Wanhe Fund.

Any profits, losses or risks attributable to or arising from the Target Interests in Wanhe Fund during the period from the Valuation Reference Date to the completion date for the transfer of the Target Interests in Wanhe Fund shall be received or borne by Shandong High-Tech.

In case any party to the Wanhe Fund Transfer Agreement breaches any provision therein, including but not limited to the violation of any of its representations, warranties, undertakings or other obligations stipulated therein, thereby resulting in failure in the full performance of the Wanhe Fund Transfer Agreement, the liabilities so arising shall be borne by the breaching party. In the event that all parties are in breach, each party shall be responsible for the corresponding portion of liabilities attributable to its respective breach. If any breach gives rise to any actual or reasonably foreseeable economic losses to the non-breaching party, the breaching party shall be liable to compensate the non-breaching party for such actual and reasonably foreseeable economic losses arising from the breach. Moreover, the non-breaching party shall be entitled to demand reimbursement from the breaching party for any costs incurred in pursuing remedies for the breach, including but not limited to all expenses associated with resolving relevant disputes.

INFORMATION OF THE COMPANY, LUCION VENTURE CAPITAL, SHANDONG HIGH-TECH AND TARGETS OF TRANSFERS

The Company

The Company is a joint stock company established in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1697). The Company is principally engaged in the provision of comprehensive financial service and wealth management service.

Lucion Venture Capital

Lucion Venture Capital is a joint stock company established in the PRC with limited liability which is principally engaged in venture capital investment and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600783). It is a non-wholly owned subsidiary of and owned as to 69.57% by Lucion Group, the controlling shareholder of the Company. Lucion Group is owned as to 90.75% by Shandong Provincial Finance Bureau and as to 9.25% by Shandong Caixin Assets Operation Co., Ltd. ("**Shandong Caixin**"), and Shandong Caixin is wholly-owned by the Shandong Provincial Finance Bureau.

Shandong High-Tech

Shandong High-Tech is a company established in the PRC with limited liability which is principally engaged in venture capital investment. It is a wholly-owned subsidiary of Lucion Venture Capital.

Parent Fund

Parent Fund is a limited partnership enterprise established in the PRC on 12 November 2018 which is principally engaged in investment with proprietary funds. The net profit before tax of Parent Fund for the financial years ended 31 December 2023 and 2024 were approximately profit of RMB285.5721 million and loss of RMB145.4199 million respectively; its net profit after tax for the financial years ended 31 December 2023 and 2024 were approximately profit of RMB285.5721 million and loss of RMB145.4199 million respectively. The Company held interests in Parent Fund since its establishment in November 2018. The book value of the Target Interests in Parent Fund held by the Company as at 30 June 2025 was approximately RMB166.3849 million.

Wanhe Fund

Wanhe Fund is a limited partnership enterprise established in the PRC on 13 December 2019 which is principally engaged in equity investment. The net profit before tax of Wanhe Fund for the financial years ended 31 December 2023 and 2024 were approximately profit of RMB87.8105 million and loss of RMB52.1920 million respectively; its net profit after tax for the financial years ended 31 December 2023 and 2024 were approximately profit of RMB87.8105 million and loss of RMB52.1920 million respectively. The Company held interests in Wanhe Fund since its establishment in December 2019. The book value of the Target Interests in Wanhe Fund held by the Company as at 30 June 2025 was approximately RMB37.1588 million.

VALUATION OF THE FUND INTERESTS

Valuation Methods

The valuations of the Target Interests in Parent Fund and the Target Interest in Wanhe Fund as at the Valuation Reference Date were conducted by the Valuer using the asset-based approach, which involves the determination of the appraised value of the Fund Interests through a reasonable assessment of their on- and off-balance sheet assets and liabilities, based on their balance sheets as at the Valuation Reference Date.

Please refer to the Appendix to this announcement for the valuation approach applied to the Target Interests in Parent Fund and the Target Interest in Wanhe Fund.

Valuation of the Target Interests in Parent Fund

Parent Fund primarily invests in the biotechnology, medical devices, aerospace, new energy and materials, and intelligent manufacturing sectors. It invests in sub-funds or in the investment targets directly. Each investee entity does not constitute a substantial portion of the underlying assets of Parent Fund, as none of them contributes more than 10% of the total asset value of Parent Fund as at the Valuation Reference Date. The scope of appraisal of the Target Interests in Parent Fund includes all assets and liabilities of Parent Fund as at the Valuation Reference Date, mainly comprising current assets, long-term equity investments, other non-current financial assets and current liabilities.

(1) **Current assets:** The current assets under Parent Fund as at the Valuation Reference Date primarily comprised of monetary funds (being bank deposits), other receivables and other current assets. The appraised value of the current assets was approximately RMB77.09 million, among which approximately RMB71.78 million were bank deposit.

(2) **Long-term equity investments:** The long-term equity investments under Parent Fund as at the Valuation Reference Date comprised three investee entities, each engaged in the medical devices and intelligent manufacturing sectors respectively. The appraised value of the long-term equity investments under Parent Fund as at the Valuation Reference Date was approximately RMB70.69 million. After analysing the information available on the investee entities and the data obtained, it was found that there have been no recent financing events for those investee entities. Therefore, only the market multiple method is applicable for the appraisal. In determining the valuation of long-term equity investments, the Valuer did not consider the premiums and discounts arising from factors such as controlling or minority interests, nor did it consider the impact of equity liquidity on the valuation results.

Firstly, the Valuer identified the industry of the investee entities to assess the applicability of different valuation multiples within the respective sectors. For the purposes of the valuation, A-share listed companies within the same industry as the investee entities were selected as comparables. Correlation regression analysis was performed on the dependent variable (i.e. total market capitalisation) and each of the three independent variables (namely net profit, operating income and owner's equity) in paired combinations. The valuation multiple that demonstrated stronger correlation, better goodness-of-fit, stronger sample-level goodness-of-fit and lower standard deviation was selected as the most appropriate valuation multiple.

Secondly, reference was made to the *Enterprise Performance Evaluation Benchmarks* (State-owned Assets Supervision and Administration Commission of the State Council, 2024) (《企業績效評價標準值》(國務院國資委 2024)) for the assessment indicators and respective weightings (34% for profitability, 22% for asset quality, 22% for debt risk and 22% for operating growth) and the rating system (the financial performance quantitative rating system, which consists of five tiers, namely Excellent (A), Good (B), Average (C), Below Average (D) and Poor (E), corresponding to standard coefficients of 1.0, 0.8, 0.6, 0.4, and 0.2 respectively and with coefficient of 0 applied to performance falling below E).

Afterwards, a comparative analysis was conducted between the investee entities and the selected listed companies in terms of profitability (return on equity and return on total assets), asset quality (total asset turnover and current asset turnover), debt risk (asset-liability ratio and quick ratio), and operating growth (sales growth rate and rate of capital preservation and appreciation rate). Listed companies exhibiting relatively less differences in these financial indicators from the investee projects were selected as comparables. The valuation multiples of these comparable companies were adjusted based on the respective scores derived from the aforementioned evaluation framework. The arithmetic average of the adjusted multiples was then adopted as the valuation multiple applicable to the investee entities.

Subsequently, as the investee entities are not listed, the liquidity of their equity differs from that of listed companies. Accordingly, a discount for lack of marketability (DLOM) was applied. This discount was determined with reference to statistical data relating to liquidity discounts observed during the reform of shareholding structures in listed companies, as well as statistical data comparing price-to-earnings ratios in acquisitions of unlisted companies and that of listed companies.

In summary, the valuation multiple applicable to each investee entity was determined based on the methodology outlined above. The valuation of each investee entity was calculated by multiplying the selected multiple by the relevant financial indicators, namely the owner's equity attributable to the parent company, or the net profit or operating income attributable to the parent company, after deduction of minority interests. The market value of Parent Fund's interest was then derived by applying Parent Fund's shareholding to the appraised value of the investee entities.

Based on the above valuation approach, the Valuer identified approximately 90 to 180 listed companies in similar sectors and selected (i) the price-to-sales ratio as the applicable valuation multiple for target projects engaged in the medical devices sector, and (ii) the price-to-book ratio as the applicable valuation multiple for target projects engaged in the intelligent manufacturing sector. The relevant ratios ranged between 0.8 and 1.0. The Valuer then selected three to four domestic listed companies as comparables based on differences in financial indicators and applied adjustments to the valuation multiples accordingly. The arithmetic average of the adjusted ratios was adopted as the applicable valuation multiple for the respective investee entity. The adjusted price-to-sales ratios ranged between 20 and 30, while the adjusted price-to-book ratios ranged between 1.0 and 1.5. The relevant discounts for lack of marketability ranged between 20% and 40%.

(3) **Other non-current financial assets**: The other non-current financial assets under Parent Fund as at the Valuation Reference Date primarily comprised 21 sub-funds and investee entities, each of which was engaged in biotechnology, medical devices, aerospace, new energy and materials and intelligent manufacturing sectors respectively. The appraised value of the other non-current financial assets under Parent Fund as at the Valuation Reference Date was approximately RMB862.38 million. Based on an analysis of the available information and data collected regarding the investee entities and the sub-funds, the following valuation methods were adopted:

A. Pursuant to *Guidelines for Valuation of Equity of Unlisted Companies (2025 Revision)* (《非上市公司股權估值指引》(2025年修訂)) issued by the Securities Association of China (中國證券業協會) and prevailing valuation practices, five investee entities engaged in the biotechnology, medical devices and aerospace sectors were valued using the recent financing price method. These entities had undergone equity transfers or financing transactions within one year prior to the Valuation Reference Date, which reflected their market value. The valuation was calculated by determining the value per share from the equity transfer or financing agreements and multiplying it by the number of shares held by Parent Fund. The appraised value of the five investee entities totalled approximately RMB284.17 million as at the Valuation Reference Date.

B. Eight investee entities engaged in the biotechnology, aerospace and new energy and materials sectors were valued using the market multiples method. For details of the valuation methods and the relevant key input, please refer to "Valuation of the Target Interests in Parent Fund – (2) Long-term equity investments" above. Based on the above valuation approach, the Valuer identified approximately 60 to 460 listed companies in similar sectors and selected the price-to-book ratio as the applicable valuation multiple for the relevant target projects. The relevant ratios ranged between 0.8 and 1.0. The Valuer then selected three to five domestic listed companies as comparables based on differences in financial indicators and applied adjustments to the valuation multiples accordingly. The arithmetic average of the adjusted ratios was adopted as the applicable valuation multiple for the respective investee entity. The adjusted price-to-book ratios ranged between 1.8 and 13.0. The relevant discounts for lack of marketability ranged between 10% and 40%. The appraised value of the eight investee entities totalled approximately RMB159.11 million as at the Valuation Reference Date.

C. For the sub-funds with limited valuation materials (primarily because Parent Fund holds a relatively low equity stake), the Valuer adopted alternative methods to determine their appraised value. The valuation of a sub-fund for which the Valuer was able to obtain its financial statements close to the Valuation Reference Date was determined based on the carrying value of its net assets, and the appraised value was approximately RMB58.82 million as at the Valuation Reference Date. The appraised value for two other invested entities was based on their book values, totalling approximately RMB31.89 million as at the Valuation Reference Date. For a sub-fund whose principal amounts have been fully returned, the remaining balance on the book was recorded as investment income. The appraised value determined based on the book value as at the Valuation Reference Date was approximately RMB94.25 million.

D. Four sub-funds under Parent Fund are equity-holding platforms that allocate investment income based on the respective shareholding in the investment projects. The distribution of investment income depends on the operating conditions of the project companies. Additionally, due to the unique nature of the sub-funds' business operations, it is difficult to obtain comparable transaction precedents in the market. Therefore, an asset-based approach was adopted for the valuation, and each investment project was assessed individually to determine the applicability of the relevant valuation methodologies (such as the recent financing price method, market multiples method and industry indicator method) and its market value. The market value of the sub-fund's interest in each investment project was then calculated by applying the sub-fund's shareholding percentage to the appraised market value of the relevant project. The appraised value as at the Valuation Reference Date was approximately RMB234.14 million.

(4) **Current liabilities**: The current liabilities under Parent Fund as at the Valuation Reference Date primarily comprised other payables, the appraised value of which was approximately RMB0.655 million.

The appraised value of the equity owned by the partners of Partner Fund as at the Valuation Reference Date was RMB1,009.5118 million. The appraised value of the Target Interests in Parent Fund held by the Company is calculated as follows:

The appraised value of the Target Interests in Parent Fund held by the Company = remaining capital held by the Company as at the Valuation Reference Date + benchmark return for the Company as at the Valuation Reference Date + (the value of the equity owned by the partners – its total capital contribution – total benchmark return) × 80% × 18.2%.

Accordingly, the appraised value of the Target Interests in Parent Fund held by the Company is RMB178.4563 million.

Valuation of the Target Interests in Wanhe Fund

Wanhe Fund primarily invests in the biotechnology, medical devices, aerospace, new energy and materials, and intelligent manufacturing sectors. It invests in the investment targets directly. Each investee entity does not constitute a substantial portion of the underlying assets of Wanhe Fund, as none of them contributes more than 15% of the total asset value of Wanhe Fund as at the Valuation Reference Date.

The scope of appraisal of the Target Interests in Wanhe Fund includes all assets and liabilities of Wanhe Fund as at the Valuation Reference Date, mainly comprising current assets and other non-current financial assets.

(1) **Current assets**: The current assets under Wanhe Fund as at the Valuation Reference Date primarily comprised monetary funds (being bank deposits) and financial assets held for trading (being shares of a listed company). The appraised value of the listed shares was determined by multiplying the market value of the listed shares by the number of shares. The appraised value of the current assets was approximately RMB80.36 million, among which approximately RMB3.67 million was monetary funds, and approximately RMB76.69 million was financial assets held for trading.

(2) **Other non-current financial assets**: The other non-current financial assets under Wanhe Fund as at the Valuation Reference Date comprised 11 investee entities engaged in biotechnology, medical devices, aerospace, new energy and materials and intelligent manufacturing sectors respectively. The appraised value of the other non-current financial assets under Wanhe Fund as at the Valuation Reference Date was approximately RMB384.13 million. Based on an analysis of the available information and data collected regarding the investee entities, the following valuation methods were adopted:

A. Pursuant to *Guidelines for Valuation of Equity of Unlisted Companies (2025 Revision)* (《非上市公司股權估值指引》(2025年修訂)) issued by the Securities Association of China (中國證券業協會) and prevailing valuation practices, two investee entities engaged in the biotechnology and intelligent manufacturing sectors were valued using the recent financing price method. These entities had undergone equity transfers or financing transactions within one year prior to the Valuation Reference Date, which reflected their market value. The valuation was calculated by determining the value per share from the equity transfer or financing agreements and multiplying it by the number of shares held by Wanhe Fund. The appraised value of which totalled approximately RMB96.28 million as at the Valuation Reference Date.

B. Eight investee entities engaged in the biotechnology, medical devices, aerospace, new energy and materials and intelligent manufacturing sectors were valued using the market multiples method, the appraised value of which totalled approximately RMB250.90 million as at the Valuation Reference Date. For details of the valuation methods and the relevant key input, please refer to "Valuation of the Target Interests in Parent Fund – (2) Long-term equity investments" above.

Based on the above valuation approach, the Valuer identified approximately 60 to 460 listed companies in similar sectors and selected (i) the price-to-earnings ratio as the applicable valuation multiple for a target project engaged in the intelligent manufacturing sector, (ii) the price-to-sales ratio as the applicable valuation multiple for a target project engaged in the medical devices sector, and (iii) the price-to-book ratio as the applicable valuation multiple for six target projects engaged in the biotechnology, intelligent manufacturing, aerospace and new energy and materials sectors respectively. The relevant ratios ranged between 0.8 and 1.0. The Valuer then selected three to five domestic listed companies as comparables based on differences in financial indicators and applied adjustments to the valuation multiples accordingly. The arithmetic average of the adjusted ratios was adopted as the applicable valuation multiple for the respective investee entities. The adjusted (i) price-to-earnings ratios ranged between 30 and 35, (ii) price-to-sales ratios ranged between 25 and 30, and (iii) price-to-book ratios ranged between 1.0 and 13. The relevant discounts for lack of marketability ranged between 20% and 40%.

C. One investee entity engaged in the intelligent manufacturing sector was valued based on a contractual agreement involving share repurchase entered into within one year prior to the Valuation Reference Date, and the valuation of the equity interest in the investee entity held by Wanhe Fund was calculated with reference to the cash consideration of the share purchase. The appraised value of the investee entity was approximately RMB36.94 million as at the Valuation Reference Date.

The appraised value of the equity owned by the partners of Wanhe Fund as at the Valuation Reference Date was RMB464.4851 million. The appraised value of the Target Interests in Wanhe Fund held by the Company is calculated as follows:

The appraised value of the Target Interests in Wanhe Fund held by the Company = the value of the equity owned by the partners × 8%.

Accordingly, the appraised value of the Target Interests in Wanhe Fund held by the Company is RMB37.1588 million.

CONSIDERATION FOR THE TRANSFERS

The consideration for the transfer of the Target Interests in Parent Fund was determined between the Company and Lucion Venture Capital after arm's length negotiations based on normal commercial terms and has taken into account the valuation of the Target Interests in Parent Fund as at 31 December 2024 prepared with the asset-based approach by the Valuer, which was RMB178.4563 million. Subsequent to the Valuation Reference Date, an allocation of RMB12.0714 million was made by Parent Fund to the Company. Accordingly, the Company and Lucion Venture Capital agreed that the consideration for the transfer should be RMB166.3849 million.

The consideration for the transfer of the Target Interests in Wanhe Fund was determined between the Company and Shandong High-Tech after arm's length negotiations based on normal commercial terms and has taken into account the valuation of the Target Interests in Wanhe Fund as at 31 December 2024 prepared with the asset-based approach by the Valuer, which was RMB37.1588 million.

USE OF PROCEEDS

The gross proceeds arising from the transfers of the Fund Interests is expected to amount to RMB203.5437 million, with the net proceeds (after deducting relevant transaction costs and taxes) expected to amount to approximately RMB196.4369 million, which will be used to supplement the operating capital of the Company and optimise the financial and regulatory indicators applicable to the Company.

The Company regularly monitors its net capital and risk-based capital in accordance with regulations issued by the NFRA. Effective from 20 August 2010, the Company began implementing the former China Banking and Insurance Regulatory Commission's regulation of *Measures for the Administration of Net Capital of Trust Companies*, which was issued on the same day. Pursuant to this regulation, a trust company shall maintain its net capital at a level of no less than RMB200 million, with the ratio of net capital to total risk-based capital at no less than 100%, and the ratio of net capital to net assets at no less than 40%. The Company reports the required capital information to the NFRA on a quarterly basis.

REASONS FOR AND BENEFITS OF THE TRANSFERS OF THE FUND INTERESTS

The Company is currently at a critical juncture in its journey marked by deepening reform and the advancement of business transformation and upgrading. The transfers of the Fund Interests will serve as an effective asset conversion exercise channeling existing equity assets into monetary funds. This will replenish cash flow for the Company's operating activities, comprehensively improve its overall financial position, optimise its asset structure and enhance its net core capital strength, which will contribute to the continuous improvement of various regulatory indicators as stipulated under the *Measures for the Administration of Net Capital of Trust Companies* mentioned in the section headed "Use of Proceeds" above, and reinforce the Company's risk resilience framework, laying a solid financial foundation for the attainment of its strategic transformation goals.

In accordance with the *Notice of the General Office of the China Banking and Insurance Regulatory Commission on the Clean-up and Rectification of Non-financial Subsidiaries of Trust Companies (Yin Bao Jian Ban Fa [2021] No. 85)* (《中國銀保監會辦公廳關於清理規範信託公司非金融子公司業務的通知》(銀保監辦發[2021]85號)), trust companies are required to carry out a comprehensive clean-up and rectification of their non-financial subsidiaries. Upon completion of the transfers of the Fund Interests, the Company will effectively fulfill the relevant requirements. The investment direction of the Company's proprietary assets will become more aligned with regulatory requirements. The Company will further focus on the development of its core trust business, accelerating the return to its principal operations.

After taking the above factors into consideration, the Directors (including the independent non-executive Directors, whose recommendation to the Independent Shareholders has been formed after considering the advice of the Independent Financial Adviser and will be included in the circular to the Shareholders) are of the opinion that the transfers of the Fund Interests are conducted in the ordinary and usual course of business of the Company, that the transfers of the Fund Interests and the terms of the Transfer Agreements are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

FINANCIAL IMPACT OF THE TRANSFERS OF THE FUND INTERESTS

As at 30 June 2025, the Target Interests in Parent Fund and the Target Interests in Wanhe Fund held by the Company were classified under financial assets held for trading in the consolidated financial statements of the Group. Subsequent to the Valuation Reference Date, the Company received an allocation of RMB12.0714 million from Parent Fund in January 2025. Based on (a) the consideration for the transfers of the Fund Interests of RMB203.5437 million, (b) the carrying value of the Fund Interests as at 30 June 2025 of approximately RMB203.5437 million which has been adjusted with reference to the appraised value, and (c) without taking into account any taxation or others costs, it is currently expected that there will be no gain or loss arising from the transfers of the Fund Interests (subject to audit). As at the date of this announcement, the Target Interests in Parent Fund and the Target Interests in Wanhe Fund represented 18.2% and 8.0% of the entire interest of Parent Fund and Wanhe Fund respectively. Upon completion of the transfers of the Fund Interests, the Company will no longer hold any interest in Parent Fund and Wanhe Fund and the relevant Fund Interests will no longer be classified under financial assets held for trading in the consolidated financial statements of the Group.

IMPLICATIONS UNDER LISTING RULES

Pursuant to Chapter 14 of the Listing Rules, the transfers of the Fund Interests constitute notifiable transactions of the Company. As Lucion Venture Capital and Shandong High-Tech are subsidiaries of Lucion Group, the controlling shareholder of the Company (which directly holds approximately 48.13% and indirectly holds approximately 4.83% of the total issued Shares), they are connected persons of the Company under the Listing Rules. Accordingly, the transfers of the Fund Interests constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the transfers of the Fund Interests exceeds 5% while all application percentage ratios are below 25%, the transfers of the Fund Interests constitute disclosable transactions and connected transactions of the Company, and are therefore subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Directors has any material interest in the transfers of the Fund Interests and the Transfer Agreements. However, Mr. Yue Zengguang (an executive Director) and Ms. Duan Xiaoxu (a non-executive Director) have voluntarily abstained from voting on the relevant resolutions approving the transfers of the Fund Interests and the Transfer Agreements at the relevant Board meeting, for the reason that they hold positions in the associates of Lucion Group or were nominated by Lucion Group. Ms. Duan Xiaoxu currently serves as the chief financial officer of Lucion Venture Capital and a director of Shandong High-Tech, and she was nominated by Shandong High-Tech to serve as a Director of the Company. Mr. Yue Zengguang was nominated by Lucion Group to serve as a Director of the Company. Except for Ms. Duan and Mr. Yue, no other Directors abstained from voting on the relevant resolutions.

Lucion Group, as the controlling shareholder of the Company, directly holds approximately 48.13% of the total issued Shares of the Company and indirectly holds approximately 4.83% through Shandong High-Tech. As Lucion Group has material interests in the transfers of the Fund Interests and the Transfer Agreements, Lucion Group and its associate, Shandong High-Tech (holding 52.96% of the total issued Shares in aggregate) shall abstain from voting on the resolutions for approving the transfers of the Fund Interests and the Transfer Agreements at the general meeting. Except for Lucion Group and Shandong High-Tech, no other Shareholders are required to abstain from voting on the relevant resolutions.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Company has established an Independent Board Committee, comprising all independent non-executive Directors namely Mr. Zheng Wei, Ms. Zhang Haiyan, and Ms. Liu Wanwen, to provide advice on the transfers of the Fund Interests and the Transfer Agreements. As approved by the Independent Board Committee, Lego Corporate Finance has been appointed as the Independent Financial Adviser to provide advice on the fairness and reasonableness of the transfers of the Fund Interests and the Transfer Agreements to the Independent Board Committee and the Independent Shareholders.

GENERAL INFORMATION

A general meeting will be convened by the Company to, inter alia, consider and approve, if thought fit, the transfers of the Fund Interests and the Transfer Agreements. Pursuant to the requirements of the Listing Rules, a circular containing, inter alia, (i) further details on the transfers of the Fund Interests and the Transfer Agreements; (ii) a letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter from Lego Corporate Finance to the Independent Board Committee and the Independent Shareholders; and (iv) other information required by the Listing Rules, together with a notice of the general meeting, will be dispatched to Shareholders within 15 business days from the date of publication of this announcement (i.e. on or before 6 October 2025).

As the completion of the transfers of the Fund Interests is subject to the fulfilment of the conditions of the Transfer Agreements, the transfers of the Fund Interests may or may not proceed to completion. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context otherwise requires, the following expressions in this announcement shall have the following meanings:

"associate(s)"	has the meaning ascribed thereto in the Listing Rules
"Board"	the board of Directors of the Company
"Company"	Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 1697)
"connected person(s)"	has the meaning ascribed thereto in the Listing Rules

"controlling shareholder"	has the meaning ascribed thereto in the Listing Rules
"Director(s)"	the director(s) of the Company
"Fund Interests"	the Target Interests in Parent Fund and the Target Interests in Wanhe Fund
"Group"	the Company and trust schemes under its control
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"H Share(s)"	ordinary share(s) of the Company with a nominal value of RMB1.00 each, listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
"Independent Board Committee"	the independent board committee of the Company (comprising all independent non-executive Directors) established to advise the Independent Shareholders in respect of the transfers of the Fund Interests and the Transfer Agreements
"Independent Financial Adviser" or "Lego Corporate Finance"	Lego Corporate Finance Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong), being the independent financial adviser appointed to provide advice on the transfers of the Fund Interests and the Transfer Agreements to the Independent Board Committee and the Independent Shareholders
"Independent Shareholder(s)"	shareholder(s) who are not required to abstain from voting on the resolutions for considering and approving the transfers of the Fund Interests and the Transfer Agreements at the extraordinary general meeting
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"Lucion Group"	Shandong Lucion Investment Holdings Group Co., Ltd. (山東省魯信投資控股集團有限公司), a company established on 31 January 2002 in the PRC with limited liability and the controlling shareholder of the Company
"Lucion Venture Capital"	Lucion Venture Capital Group Co., Ltd. (魯信創業投資集團股份有限公司), a joint stock company established in the PRC with limited liability, a subsidiary of Lucion Group, and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600783)
"NFRA"	National Financial Regulatory Administration
"Parent Fund"	Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership) (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)), a limited partnership enterprise established on 12 November 2018 in the PRC
"Parent Fund Transfer Agreement"	the partnership interest transfer contract dated 12 September 2025 entered into between the Company and Lucion Venture Capital in respect of the transfer of the Target Interests in Parent Fund
"PRC" or "China"	the People's Republic of China
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Shandong High-Tech"	Shandong High-Tech Venture Capital Co., Ltd. (山東省高新技術創業投資有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Lucion Venture Capital
"Share(s)"	the share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	registered holder(s) of the Share(s)
"Target Interests in Parent Fund"	the limited partnership interest held by the Company in respect of its contribution of RMB182 million, representing 18.2% of the total interest in Parent Fund. As at the Valuation Reference Date, the remaining contribution held by the Company after return of capital was RMB115.68 million

"Target Interests in Wanhe Fund"	the limited partnership interest held by the Company in respect of its contribution of RMB40 million, representing 8.0% of the total interest in Wanhe Fund. As at the Valuation Reference Date, the remaining contribution held by the Company after return of capital was RMB31.20 million
"Transfer Agreements"	the Parent Fund Transfer Agreement and the Wanhe Fund Transfer Agreement
"Valuation Reference Date"	the reference date for assessing the value of the Target Interests in Parent Fund and the Target Interests in Wanhe Fund for the purpose of the transfers, being 31 December 2024
"Valuer"	China United Assets Appraisal Group Shandong Co., Ltd.(中聯資產評估集團山東有限公司), an independent valuer
"Wanhe Fund"	Anhui Lucion Wanhe Technology Innovation and Entrepreneurship Equity Investment Fund (Limited Partnership) (安徽魯信皖禾科技創新創業股權投資基金(有限合夥)), a limited partnership enterprise established on 13 December 2019 in the PRC
"Wanhe Fund Transfer Agreement"	the partnership interest transfer contract dated 12 September 2025 entered into between the Company and Shandong High-Tech in respect of the transfer of the Target Interests in Wanhe Fund
"%"	per cent

By order of the Board
Shandong International Trust Co., Ltd.
YUE Zengguang
Chairperson

Jinan, the People's Republic of China
12 September 2025

As at the date of this announcement, the Board comprises Mr. Yue Zengguang as executive Director; Mr. Chen Liuyi, Ms. Duan Xiaoxu and Mr. Chen Xuebin as non-executive Directors; and Mr. Zheng Wei, Ms. Zhang Haiyan and Ms. Liu Wanwen as independent non-executive Directors.

PARENT FUND

Valuation Approach

According to the provisions of the Asset Appraisal Practice Standards – Enterprise Value (《資產評估執業準則－企業價值》), the asset valuers shall, when undertaking an enterprise value assessment, evaluate the applicability of the three basic asset valuation methodologies, namely the income approach, the market approach and the cost approach (also known as the asset-based approach), having due regard to various factors including the valuation purpose, the subject of valuation, the type of value to be assessed and the availability of supporting information. On this basis, the asset valuers shall select one or more of the aforementioned methodologies as deemed appropriate.

The income approach for enterprise value assessment refers to a method by which the value of the subject is determined by capitalising or discounting expected future earnings. In determining its applicability, the asset valuers shall consider the historical operating performance of the subject enterprise, the predictability of its future income and the sufficiency of supporting data obtained. The market approach involves determining the value of the subject through comparison with comparable publicly listed companies or reference to comparable transactions. In assessing its applicability, the asset valuers shall evaluate the sufficiency and reliability of operational and financial data of the comparable enterprises obtained as well as the size of the reference pool. The asset-based approach involves determining the value of the subject through a reasonable assessment of the overall on- and off-balance sheet assets and liabilities of the appraised entity based on its balance sheet as at the valuation reference date.

The asset-based approach reflects the value of the subject enterprise from the perspective of asset acquisition and construction. It serves economic purposes, providing a basis for evaluating operational management and performance after completion of economic activities. Accordingly, the asset-based approach has been adopted for this valuation.

The appraised entity of this valuation is an equity-holding entity which receives allocation of investment returns in proportion to its equity holdings in the investment projects. As the distribution of such returns is dependent on the operating performance of the respective project companies and involves uncertainty, the income approach is not considered suitable for this valuation.

Furthermore, the unique nature of operation of the appraised entity means that the market approach is inapplicable due to the lack of comparable market transactions. Accordingly, this valuation has been conducted using solely the asset-based approach.

In summary, the asset-based approach has been adopted for the valuation of the appraised entity, Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership) (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)).

Note: Save as otherwise specified, all amounts in this Appendix are denoted in RMB.

Asset-based Valuation

The asset-based approach is a valuation method whereby the value of the subject is determined through assessment of the overall on-balance sheet and identifiable off-balance sheet assets and liabilities of the appraised entity or business unit based on their balance sheet as at the valuation reference date. In particular, the value of the enterprise is determined by aggregating the assessed values of all constituent assets of the enterprise and deducting the assessed value of its liabilities.

The valuation methodologies adopted for different categories of assets and liabilities are set out as follows:

1. Current Assets

Current assets include monetary funds, other receivables and other current assets.

(1) Monetary Funds

Monetary funds consist of bank deposits.

For the assessment of bank deposits, the valuers have reviewed bank confirmation replies to verify the actual existence of funds. Bank statements were also examined to identify any unrecorded deposits and to reconcile transactions occurring after the valuation reference date. For Renminbi accounts, the verified carrying value was adopted as the assessed value.

(2) Other Receivables

The valuers have verified the ledger records; carried out spot checks on some of the original supporting documents to verify the authenticity of transactions, age of receivables, and business and amounts involved. The verifications confirmed the consistency between the relevant ledgers, schedules and vouchers. Based on the verified information on other receivables and understanding of historical records and current investigative findings, the valuers conducted a detailed analysis of amounts due, the duration and cause of outstanding receivables, the progress of recovery, and the financial standing, creditworthiness and operational status of the debtors.

The assessed risk loss was evaluated by adopting specific identification method and ageing analysis based on the individual circumstances of the respective entities.

Where receivables from related parties were deemed fully recoverable based on adequate justification, the risk loss was assessed at 0%. Where there was conclusive evidence that the receivables could not be recovered or the account ageing was excessively long, the risk loss was assessed at 100%.

In cases where the recovery of receivables from external entities was partially doubtful and the exact irrecoverable amount could not be determined, the risk loss was assessed by analysing account ageing and historical collection experience, taking reference from accounting methods for bad debt provision. Based on the above, the assessed value of other receivables was calculated by deducting the assessed risk loss from the total amount of receivables. In accordance with relevant valuation regulations, the bad debt provision was assessed as nil.

(3) Other Current Assets

Other current assets primarily consisted of deductible input value-added tax ("**VAT**") pending certification and VAT payable pending transfer. During verification, the valuers have checked the consistency between the subsidiary ledger and general ledger balances, reconciled them with the reported figures, and confirmed their alignment with the entrusted valuation schedules. Accounting records containing amounts, transaction dates and detailed descriptions have been reviewed, with spot checks on original accounting vouchers, relevant payment receipts and contracts performed to verify the authenticity and completeness of the accounting entries. An understanding was obtained of taxation policy regarding applicable tax categories, tax rates and payment mechanisms as well as the borrowing position of the subject enterprise as at the valuation reference date. Upon confirmation of the accuracy of information, the verified carrying value was adopted as the assessed value.

2. Non-current Assets

(1) Long-term Equity Investments

As an initial step, the valuers collected and verified information on the rationale, carrying value and actual status of the long-term investments. Investment agreements, shareholders' resolutions, articles of association and relevant accounting records were reviewed to ascertain the authenticity and completeness of such long-term investments. On this basis, valuation of the investee entities was carried out. A valuation method appropriate for the specific characteristics of each long-term investment was adopted. The valuers reviewed the financial and operational status of the enterprise. After analysing the information available on equity investment projects and the data obtained, it was found that there have been no recent financing events for the equity investment projects. Therefore, only the market multiple method is applicable for the appraisal. In determining the valuation of long-term equity investments, the valuers did not consider the premiums and discounts arising from factors such as controlling interests and minority interests, nor did they take into account the impact of equity liquidity on the assessment results.

Valuation of long-term equity investment = Valuation of net asset value of the investment project × Equity holding percentage.

(2) Other Non-current Financial Assets

As an initial step, the valuers collected and verified information on the rationale, carrying value and actual status of other investments. Investment agreements, shareholders' resolutions, articles of association and relevant accounting records were reviewed to ascertain the authenticity and completeness of such investments. On this basis, valuation of the investee entities was carried out. A valuation method appropriate for the specific characteristics of each investment was adopted. Based on an analysis of the financial and operational status of the relevant enterprises by the valuers, the following methods were employed for the current assessment of other non-current financial assets:

1) For investee entities that are unlisted companies, the valuers would analyse their financial operation status and select an appropriate method from among the asset-based approach, income approach and market approach based on their actual performance for a comprehensive valuation. The assessed value was calculated using the following formula:

   Valuation of other non-current financial assets = Valuation of net asset of the investment project × Equity holding percentage.

The income approach for enterprise value assessment refers to a method by which the value of the subject is determined by capitalising or discounting expected future earnings. In determining its applicability, the asset valuers shall consider the historical operating performance of the subject enterprise, the predictability of its future income and the sufficiency of supporting data obtained.

The market approach for enterprise value assessment involves determining the value of the appraised entity through comparison with comparable publicly listed companies or reference to comparable transactions. In assessing its applicability, the asset valuers shall evaluate the sufficiency and reliability of operational and financial data of the comparable enterprises obtained as well as the size of the reference pool. The asset-based approach for enterprise value assessment involves determining the value of the subject through a reasonable assessment of the overall on- and off-balance sheet assets and liabilities of the appraised entity based on its balance sheet as at the valuation reference date.

The market approach consists of various specific methods, including the Recent Financing Price Method, the Market Multiples Method and the Industry Indicator Method.

(i) Recent Financing Price Method

   The most recent financing price of the investee entity will be used to estimate the value of its unlisted equity holdings.

(ii) Market Multiples Method

A variety of market multiples (such as price-to-earnings ratio, price-to-book ratio, enterprise value/revenue or enterprise value/EBITDA) may be employed to assess the value of the unlisted equity holdings depending on the investee entity's stage of development and industry in which it operates.

(iii) Industry Indicator Method

The Industry Indicator Method involves the use of fair value-related indicators specific to certain industries, which may serve as reference bases for estimating the fair value of the investee entity.

Based on an analysis of the available information and data collected with regard to the investee entities, the following valuation methods were adopted:

A. Investee entities valued using the Recent Financing Price Method included LandSpace Technology Co., Ltd. (藍箭航天空間科技股份有限公司), Beijing Weimai Medical Technology Co., Ltd. (北京唯邁醫療科技股份有限公司), Siludi Technology (Shanghai) Co., Ltd. (思路迪科技(上海)有限公司), Shandong Hongjitang Pharmaceutical Group Co., Ltd. (山東宏濟堂製藥集團股份有限公司) and Shenzhen SiBionics Co., Ltd. (深圳硅基仿生科技有限公司).

B. Investee entities valued using the Market Multiples Method included Lucion Tiandiren Environmental Technology (Anhui) Group Co., Ltd. (魯信天地人環境科技(安徽)集團有限公司), Beijing Weihan Technology Co., Ltd. (北京微焓科技有限公司), Monad (Suzhou) Biotechnology Co., Ltd. (莫納(蘇州)生物科技有限公司), Hangzhou Vulcan New Material Technology Co., Ltd. (杭州崛肯新材料科技有限公司), Hefei Zhichang Photoelectric Technology Co., Ltd. (合肥知常光電科技有限公司), Tiannuo Photoelectric Material Co., Ltd. (天諾光電材料股份有限公司), Wuhan ABclonal Biotechnology Co., Ltd. (武漢愛博泰克生物科技有限公司) and Guangzhou Summit Crystal Semiconductor Co., Ltd. (廣州南砂晶圓半導體技術有限公司).

C. Investee entities for which the value could not be appraised included Jinan Shengrui Equity Investment Partnership (Limited Partnership) (濟南晟瑞股權投資合夥企業(有限合夥)), for which financial statements close to the valuation reference date were available, and accordingly the relevant non-current financial asset was appraised based on the carrying value of net assets using valuation formula for unlisted companies; and Sunpower Technology (Jiangsu) Co., Ltd. (中聖科技(江蘇)有限公司) and Shandong Rhein-Koester Intelligent Technology Co., Ltd. (山東萊茵科斯特智能科技有限公司), for which financial statements close to the valuation reference date could not be obtained, so the appraised value was based on the verified book values. For Shenzhen Hengxin Huicheng Equity Investment Centre (Limited Partnership) (深圳市恒鑫匯誠股權投資中心(有限合夥)), all principal amounts have been returned, and the remaining balance is recorded as investment income. The appraised value was based on the verified book value.

D. The sub-funds under the appraised entity, namely Shandong Lucion Industrial Transformation and Upgrading Investment Enterprise (Limited Partnership) (山東省魯信工業轉型升級投資企業(有限合夥)), Shanghai Shengren Enterprise Management Partnership (Limited Partnership) (上海晟荏企業管理合夥企業(有限合夥)), Lucion New Momentum Smart Agriculture (Jinan) Venture Capital Partnership (Limited Partnership) (魯信新動能智農(濟南)創業投資合夥企業(有限合夥)) and Yantai Hongxin Venture Capital Partnership (Limited Partnership) (煙台泓信創業投資合夥企業(有限合夥)), are all equity-holding platforms that allocate investment income based on the respective shareholding in the investment projects. The distribution of investment income depends on the operating conditions of the project companies, which introduces uncertainty. Additionally, due to the unique nature of the sub-funds' business operations, it is difficult to obtain comparable transaction cases in the market. Therefore, this valuation utilised the asset-based approach for valuation.

3. Liabilities

Each liability was examined to verify the actual debtor and liability amount following the fulfilment of the valuation purpose. The assessed value was determined based on the actual obligations and amounts to be assumed by the appraised entity after fulfilment of the valuation purpose.

Valuation Assumptions

The following assumptions were adopted by the valuers throughout the course of this valuation:

(I) General assumptions

1. Transaction Assumption

The transaction assumption presumes that all assets subject to valuation are already in the process of being transacted. Valuation is carried out by the valuers on the basis of a simulated market with transaction conditions of the assets to be valued. The transaction assumption constitutes the most fundamental premise for conducting the asset valuation.

2. Open Market Assumption

The open market assumption presumes that, for the assets being or intended to be traded in the market, both transacting parties operate at arm's length and with access to sufficient market information and time for making informed judgements regarding the asset's features, functions and trading price. This assumption is predicated on the basis that the asset can be openly bought and sold in the market.

3. Going Concern Assumption

The going concern assumption refers to the premise that the valuation is carried out on all assets of the enterprise as a whole, on the assumption that it will remain in operation as a business entity under the existing external conditions and in line with its business objectives. It is also assumed that the executives of the enterprise are responsible and capable, and that the enterprise operates lawfully and is able to generate reasonable profits to sustain its operations as a going concern.

(II) Special assumptions

1. There will be no material changes in the prevailing laws, regulations and policies of the country; nor will there be any significant changes, save for those publicly known, in the macroeconomic policies, industrial policies and regional development strategies of the country and region in which the enterprise operates.

2. There will be no material changes in the political, economic and social environment of the country and region in which the appraised entity operates after the valuation reference date; nor will there be any unforeseeable or force majeure events giving rise to any significant adverse impact.

3. There will be no material changes in the tax base, taxation rates or policy-driven levies applicable to the enterprise, save for those publicly known, after the valuation reference date.

4. There is an appropriate number of enterprises comparable to the appraised entity, which operate in the same industry or are affected by the same economic factors.

5. The comparable enterprises are subject to the same or similar factors affecting their values as the appraised entity.

6. Both the comparable enterprises and the appraised entity are capable of continuing their business operations in accordance with their operating models, business structures and capital structures as publicly disclosed at the time of transaction.

7. The information publicly disclosed by the comparable enterprises is true, accurate and complete and does not contain any false representation, misstatement or material omission that may impact value assessment.

8. The scope and indicators of comparison adopted by the valuers are based solely on the publicly disclosed information in relation to the comparable enterprises, with no consideration given to the impact of other non-public matters on the value of the appraised entity.

9. The executives of the enterprise are responsible and reasonable and the management is competent in the discharge of their duties.

10. The enterprise fully complies with all applicable laws and regulations and no significant non-compliance will arise that may affect its development and ability to realise its earnings.

11. The accounting policies to be adopted by the appraised entity after the valuation reference date are consistent in all material respects with those adopted in the preparation of the valuation report.

12. Based on the current management practices and levels of management of the appraised entity, there will be no material changes in its scope of business and operating models after the valuation reference date, save for those disclosed in this report.

13. The enterprise will maintain its current level of competitiveness after the valuation reference date.

14. The impact of inflation has not been taken into account in determining the parameters applied in this valuation.

15. There are no undisclosed and off-balance sheet matters that would give rise to indemnification liabilities of the appraised entity as at the valuation reference date.

Valuation Conclusion

In accordance with the country's laws, regulations, rules and standards pertaining to asset valuation, and adhering to the principle of independence, impartiality and objectivity, the valuers have gone through the statutory and necessary procedures stipulated by the Asset Appraisal Law and, employing recognised valuation approach, conducted on-site inspections, market researches, enquiries and assessments regarding the assets of Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership) (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)) within the scope of valuation and arrived at the following conclusion:

For total assets, the carrying value was RMB1,053,135,800 while the assessed value was RMB1,010,166,800, representing an assessed depreciation of RMB42,969,000 or a depreciation rate of 4.08%. For liabilities, the carrying value was RMB655,000 while the assessed value was also RMB655,000. No change in value was assessed. For net assets, the carrying value was RMB1,052,480,800 while the assessed value was RMB1,009,511,800, representing an assessed depreciation of RMB42,969,000 or a depreciation rate of 4.08%. For details, please refer to the following table:

Consolidated Table of Asset Valuation Outcome

Valuation Reference Date: 31 December 2024 *Monetary Unit: RMB0'000*

Items		Carrying Value B	Assessed Value C	Change in Value D=C-B	Appreciation Rate % E=D/B×100%
1	Current assets	7,709.09	7,709.09	–	–
2	Non-current assets	97,604.49	93,307.58	-4,296.90	-4.40
3	Of which: Long-term equity investments	6,695.17	7,069.35	374.17	5.59
4	Other non-current financial assets	90,909.31	86,238.23	-4,671.08	-5.14
5	Fixed assets	–	–	–	
6	Construction work in progress	–	–	–	
7	Intangible assets	–	–	–	
8	Deferred profit tax assets	–	–	–	
9	Other non-current assets	–	–	–	
10	**Total assets**	**105,313.58**	**101,016.68**	**-4,296.90**	**-4.08**
11	Current liabilities	65.50	65.50	–	–
12	Non-current liabilities	–	–	–	
13	**Total liabilities**	**65.50**	**65.50**	**–**	**–**
14	**Net assets (owner's equity)**	**105,248.08**	**100,951.18**	**-4,296.90**	**-4.08**

Pursuant to the partnership agreement, it was agreed among all partners, except Liu Mengjie (劉夢傑), that where the rate of return per annum of the partnership enterprise calculated on the basis of the whole capital utilisation period is equal to or higher than the rate of benchmark return, the excess return above the benchmark return attributable to them shall be allocated as to 20% to the General Partner as incentive, and the remaining 80% distributed among them in proportion to their respective actual paid-in capital contributions. The assessed value of interests in Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership) (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)) held by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) = remaining capital held by Shandong International Trust Co., Ltd. (山東省國際信託

股份有限公司) as at the valuation reference date + benchmark return for Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) as at the valuation reference date + (the value of the equity owned by the partners – total capital – total benchmark return) × 80% × 18.2%. Accordingly, the assessed value of interests in Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership) (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)) held by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) is RMB178,456,300.

WANHE FUND

Valuation Approach

According to the provisions of the Asset Appraisal Practice Standards – Enterprise Value (《資產評估執業準則－企業價值》), the asset valuers shall, when undertaking an enterprise value assessment, evaluate the applicability of the three basic asset valuation methodologies, namely the income approach, the market approach and the cost approach (also known as the asset-based approach), having due regard to various factors including the valuation purpose, the subject of valuation, the type of value to be assessed and the availability of supporting information. On this basis, the asset valuers shall select one or more of the aforementioned methodologies as deemed appropriate.

The income approach for enterprise value assessment refers to a method by which the value of the subject is determined by capitalising or discounting expected future earnings. In determining its applicability, the asset valuers shall consider the historical operating performance of the subject enterprise, the predictability of its future income and the sufficiency of supporting data obtained. The market approach involves determining the value of the subject through comparison with comparable publicly listed companies or reference to comparable transactions. In assessing its applicability, the asset valuers shall evaluate the sufficiency and reliability of operational and financial data of the comparable enterprises obtained as well as the size of the reference pool. The asset-based approach involves determining the value of the subject through a reasonable assessment of the overall on- and off-balance sheet assets and liabilities of the appraised entity based on its balance sheet as at the valuation reference date.

The asset-based approach reflects the value of the subject enterprise from the perspective of asset acquisition and construction. It serves economic purposes, providing a basis for evaluating operational management and performance after completion of economic activities. Accordingly, the asset-based approach has been adopted for this valuation.

The appraised entity of this valuation is an equity-holding entity which receives allocation of investment returns in proportion to its equity holdings in the investment projects. As the distribution of such returns is dependent on the operating performance of the respective project companies and involves uncertainty, the income approach is not considered suitable for this valuation.

Furthermore, the unique nature of operation of the appraised entity means that the market approach is inapplicable due to the lack of comparable market transactions. Accordingly, this valuation has been conducted using solely the asset-based approach.

In summary, the asset-based approach has been adopted for this valuation.

Asset-based Valuation

The asset-based approach is a valuation method whereby the value of the subject is determined through assessment of the overall on-balance sheet and identifiable off-balance sheet assets and liabilities of the appraised entity or business unit based on their balance sheet as at the valuation reference date. In particular, the value of the enterprise is determined by aggregating the assessed values of all constituent assets of the enterprise and deducting the assessed value of its liabilities.

The valuation methodologies adopted for different categories of assets and liabilities are set out as follows:

1. Current Assets

(1) Monetary Funds

Monetary funds consist of bank deposits.

For the assessment of bank deposits, the valuers have reviewed bank confirmation replies to verify the actual existence of funds. Bank statements were also examined to identify any unrecorded deposits and to reconcile transactions occurring after the valuation reference date. For Renminbi accounts, the verified carrying value was adopted as the assessed value.

(2) Financial Assets Held for Trading – Stocks

The valuers have reviewed the securities account statements of the appraised entity as at the valuation reference date for its holdings in the secondary securities market. The shareholdings were verified with respect to the stock names, number of shares held and their restriction status or tradability as at the valuation reference date. The operational status of the relevant listed companies as well as the recent share price trends and fluctuations on the secondary market were also verified.

For the purpose of this valuation, the assessed value of the equity investments was determined by multiplying the market price per share by the number of shares held.

Valuation of tradable shares = Market price per share × Number of shares held

2. Non-current Assets

(1) Other Non-current Financial Assets

As an initial step, the valuers collected and verified information on the rationale, carrying value and actual status of other non-current financial assets. Investment agreements, shareholders' resolutions, articles of association and relevant accounting records were reviewed to ascertain the authenticity and completeness of such non-current financial assets. On this basis, valuation of the investee entities was carried out. A valuation method appropriate for the specific characteristics of each investee entity was adopted. The following methods were employed for the current assessment of other non-current financial assets:

1) For investee entities that are listed companies and not subject to trading restriction, the assessed value was calculated by multiplying the number of shares held by the closing price per share as at the valuation reference date using the following formula:

   Valuation of other non-current financial assets = Number of shares under assessment × Share price.

2) For investee entities that are unlisted companies, the valuers would analyse their financial operation status and select an appropriate method from among the asset-based approach, income approach, and market approach based on their actual performance for a comprehensive valuation. The assessed value was calculated using the following formula:

   Valuation of other non-current financial assets = Valuation of net asset of the investment project × Equity holding percentage.

The income approach for enterprise value assessment refers to a method by which the value of the subject is determined by capitalising or discounting expected future earnings. In determining its applicability, the asset valuers shall consider the historical operating performance of the subject enterprise, the predictability of its future income and the sufficiency of supporting data obtained.

The market approach for enterprise value assessment involves determining the value of the appraised entity through comparison with comparable publicly listed companies or reference to comparable transactions. In assessing its applicability, the asset valuers shall evaluate the sufficiency and reliability of operational and financial data of the comparable enterprises obtained as well as the size of the reference pool. The asset-based approach involves determining the value of the subject through a reasonable assessment of the overall on- and off-balance sheet assets and liabilities of the appraised entity based on its balance sheet as at the valuation reference date.

The market approach consists of various specific methods, including the Recent Financing Price Method, the Market Multiples Method and the Industry Indicator Method.

(i) Recent Financing Price Method

The most recent financing price of the investee entity may be used to estimate the value of its unlisted equity holdings.

(ii) Market Multiples Method

A variety of market multiples (such as price-to-earnings ratio, price-to-book ratio, enterprise value/revenue or enterprise value/EBITDA) may be employed to assess the value of the unlisted equity holdings depending on the investee entity's stage of development and industry in which it operates.

(iii) Industry Indicator Method

The Industry Indicator Method involves the use of fair value-related indicators specific to certain industries, which may serve as reference bases for estimating the fair value of the investee entity.

Based on an analysis of the available information and data collected with regard to the investee entities, the following valuation methods were adopted:

A. Investee entities valued using the Recent Financing Price Method included Shanghai Applied Protein Technology Co., Ltd. (上海中科新生命生物科技有限公司) and Hefei Phoenix Electronics Technology Co., Ltd. (合肥市菲力克斯電子科技有限公司).

B. Investee entities valued using the Market Multiples Method included Yiteli (Shanghai) Technology Co., Ltd. (意特利(上海)科技有限公司), Xishi Biotechnology Co., Ltd. (西施生態科技股份有限公司), Lucion Tiandiren Environmental Technology (Anhui) Group Co., Ltd. (魯信天地人環境科技(安徽)集團有限公司), Guizhou Aerospace Maiwei Technology Co., Ltd. (貴州航天邁未科技有限公司), Hefei Zhichang Photoelectric Technology Co., Ltd. (合肥知常光電科技有限公司), Beijing Orbiepharm Co., Ltd. (北京歐博方醫藥科技有限公司), Beijing Huaxintai Technology Co., Ltd. (北京華信泰科技股份有限公司) and Shandong Tianyi Chemical Co., Ltd. (山東天一化學股份有限公司).

C. For Aubo (Beijing) Robotics Technology Co., Ltd. (遨博(北京)智能科技股份有限公司), the value was assessed by agreement.

3. Liabilities

Each liability was examined to verify the actual debtor and liability amount following the fulfilment of the valuation purpose. The assessed value was determined based on the actual obligations and amounts to be assumed by the appraised entity after fulfilment of the valuation purpose.

Valuation Assumptions

The following assumptions were adopted by the valuers throughout the course of this valuation:

(I) General assumptions

1. Transaction Assumption

The transaction assumption presumes that all assets subject to valuation are already in the process of being transacted. Valuation is carried out by the valuers on the basis of a simulated market with transaction conditions of the assets to be valued. The transaction assumption constitutes the most fundamental premise for conducting the asset valuation.

2. Open Market Assumption

The open market assumption presumes that, for the assets being or intended to be traded in the market, both transacting parties operate at arm's length and with access to sufficient market information and time for making informed judgements regarding the asset's features, functions and trading price. This assumption is predicated on the basis that the asset can be openly bought and sold in the market.

3. Going Concern Assumption

The going concern assumption refers to the premise that the valuation is carried out on all assets of the enterprise as a whole, on the assumption that it will remain in operation as a business entity under the existing external conditions and in line with its business objectives. It is also assumed that the executives of the enterprise are responsible and capable, and that the enterprise operates lawfully and is able to generate reasonable profits to sustain its operations as a going concern.

(II) Special assumptions

1. There will be no material changes in the prevailing laws, regulations and policies of the country; nor will there be any significant changes, save for those publicly known, in the macroeconomic policies, industrial policies and regional development strategies of the country and region in which the enterprise operates.

2. There will be no material changes in the political, economic and social environment of the country and region in which the appraised entity operates after the valuation reference date; nor will there be any unforeseeable or force majeure events giving rise to any significant adverse impact.

3. There will be no material changes in the tax base, taxation rates or policy-driven levies applicable to the enterprise, save for those publicly known, after the valuation reference date.

4. There is an appropriate number of enterprises comparable to the appraised entity, which operate in the same industry or are affected by the same economic factors.

5. The comparable enterprises are subject to the same or similar factors affecting their values as the appraised entity.

6. Both the comparable enterprises and the appraised entity are capable of continuing their business operations in accordance with their operating models, business structures and capital structures as publicly disclosed at the time of transaction.

7. The information publicly disclosed by the comparable enterprises is true, accurate and complete and does not contain any false representation, misstatement or material omission that may impact value assessment.

8. The scope and indicators of comparison adopted by the valuers are based solely on the publicly disclosed information in relation to the comparable enterprises, with no consideration given to the impact of other non-public matters on the value of the appraised entity.

9. The executives of the enterprise are responsible and reasonable and the management is competent in the discharge of their duties.

10. The enterprise fully complies with all applicable laws and regulations and no significant non-compliance will arise that may affect its development and ability to realise its earnings.

11. The accounting policies to be adopted by the appraised entity after the valuation reference date are consistent in all material respects with those adopted in the preparation of the valuation report.

12. Based on the current management practices and levels of management of the appraised entity, there will be no material changes in its scope of business and operating models after the valuation reference date, save for those disclosed in this report.

13. The enterprise will maintain its current level of competitiveness after the valuation reference date.

14. The impact of inflation has not been taken into account in determining the parameters applied in this valuation.

15. There are no undisclosed and off-balance sheet matters that would give rise to indemnification liabilities of the appraised entity as at the valuation reference date.

Valuation Conclusion

In accordance with the country's laws, regulations, rules and standards pertaining to asset valuation, and adhering to the principle of independence, impartiality and objectivity, the valuers have gone through the statutory and necessary procedures stipulated by the Asset Appraisal Law and, employing recognised valuation approach, conducted on-site inspections, market researches and assessments regarding the assets of Anhui Lucion Wanhe Technology Innovation and Entrepreneurship Equity Investment Fund (Limited Partnership) (安徽魯信皖禾科技創新創業股權投資基金(有限合夥)) within the scope of valuation and arrived at the following conclusion:

For total assets, the carrying value was RMB463,006,400 while the assessed value was RMB464,485,100, representing an assessed appreciation of RMB1,478,700 or an appreciation rate of 0.32%. For liabilities, the carrying value was RMB0 while the assessed value was also RMB0. No change in value was assessed. For net assets, the carrying value was RMB463,006,400 while the assessed value was RMB464,485,100, representing an assessed appreciation of RMB1,478,700 or an appreciation rate of 0.32%. For details, please refer to the following table:

Consolidated Table of Asset Valuation Outcome

Valuation Reference Date: 31 December 2024 *Monetary Unit: RMB0'000*

Items		Carrying Value B	Assessed Value C	Change in Value D=C-B	Appreciation Rate % E=D/B×100%
1	Current assets	8,035.77	8,035.77	–	–
2	Non-current assets	38,264.86	38,412.74	147.87	0.39
3	Of which: Long-term equity investments	–	–	–	
4	Other non-current financial assets	38,264.86	38,412.74	147.87	0.39
5	Fixed assets	–	–	–	
6	Construction work in progress	–	–	–	
7	Intangible assets	–	–	–	
8	Deferred profit tax assets	–	–	–	
9	Other non-current assets	–	–	–	
10	**Total assets**	**46,300.64**	**46,448.51**	**147.87**	**0.32**
11	Current liabilities	–	–	–	
12	Non-current liabilities	–	–	–	
13	**Total liabilities**	**–**	**–**	**–**	
14	**Net assets (owner's equity)**	**46,300.64**	**46,448.51**	**147.87**	**0.32**

The assessed value of interests in Anhui Lucion Wanhe Technology Innovation and Entrepreneurship Equity Investment Fund (Limited Partnership) (安徽魯信皖禾科技創新創業股權投資基金(有限合夥)) held by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) = the value of the equity owned by the partners × 8%. Accordingly, the assessed value of interests in Anhui Lucion Wanhe Technology Innovation and Entrepreneurship Equity Investment Fund (Limited Partnership) (安徽魯信皖禾科技創新創業股權投資基金(有限合夥)) held by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) is RMB37,158,800.