ANJOY FOODS GROUP CO., LTD.
安井食品集團股份有限公司

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

(Stock Code: 2648)

ANNOUNCEMENT ON CHANGES TO CERTAIN PROCEED-FUNDED PROJECTS FOR PRIVATE PLACEMENT OF SHARES

Reference is made to the section "History, Development and Corporate Structure – Private Placement of A Shares in 2022" to the Prospectus of Anjoy Foods Group Co., Ltd. (the "**Company**") dated June 25, 2025, in relation to the net proceeds from the private placement of A shares in 2022 amounting to RMB5,634,574,077.18.

I. OVERVIEW OF THE CHANGES TO PROCEED-FUNDED PROJECTS

(I) Basic information of the proceeds

As reviewed and approved by the 17th meeting of the Fourth Session of the Board of Directors and the 2020 Annual General Meeting of the Company, and approved by the China Securities Regulatory Commission in the Reply on the Approval of Private Placement of Shares by Fujian Anjoy Foods Co., Ltd. (Zheng Jian Xu Ke [2021] No. 3419)* (《關於核准福建安井食品股份有限公司非公開發行股票的批覆》(證監許可[2021]3419號)), the Company issued 48,884,872 RMB ordinary shares (A shares) to specific investors through a non-public offering of shares. The issue price was RMB116.08 per share, and the total proceeds amounted to RMB5,674,555,941.76. After deducting issuance expenses related to the proceeds of RMB39,981,864.58 (excluding VAT), the actual net proceeds of the Company amounted to RMB5,634,574,077.18. All the above-mentioned proceeds were received on February 22, 2022. BDO China SHU LUN PAN Certified Public Accountants LLP verified the capital contribution and issued the Capital Verification Report (Xin Kuai Shi Bao Zi [2022] No. ZA10124)* (《驗資報告》(信會師報字[2022]第ZA10124號)) on February 25, 2022.

As of September 23, 2025, the use of proceeds from the private placement of shares in 2022 is as follows:

Unit: RMB ten thousand

Project name	Total investment amount	Proposed amount to be invested from proceeds	Cumulative amount invested	Investment progress
Guangdong Anjoy's new project for an annual production of 133,000 tons of quick-frozen foods	55,600.00	55,600.00	55,957.67	100.64%
Shandong Anjoy's new project with an annual production of 200,000 tons of quick-frozen foods	60,400.00	60,400.00	64,312.05	106.48%
Phase III expansion project for an annual production of 140,000 tons of quick-frozen foods in Henan	73,000.00	73,000.00	42,035.17	57.58%
Phase III expansion project for an annual production of 100,000 tons of quick-frozen foods in Taizhou	52,000.00	52,000.00	26,688.21	51.32%
Phase III expansion project for an annual production of 140,000 tons of quick-frozen foods in Liaoning	1,878.86	1,878.86	1,892.36	100.72%
Honghu Anjoy's prepared dishes production project with an annual output of 100,000 tons	40,300.00	40,300.00	40,405.64	100.26%
Anjoy Foods Xiamen Plant 3 (安井食品廈門三廠)'s* quick-frozen food production line construction project with an annual output of 140,000 tons	55,000.00	55,000.00	3,009.79	5.47%
Southwest (Yanjiang) Production Base Phase III (西南(雁江)生產基地三期)'s* prepared dishes production line construction project with an output of 100,000 tons	20,078.55	20,078.55	8,467.77	42.17%
Sichuan Anjoy's technology upgrading and renovation project	25,000.00	25,000.00	18,415.17	73.66%
Liaoning Anjoy's technology upgrading and renovation project	18,000.00	18,000.00	11,565.28	64.25%

Project name	Total investment amount	Proposed amount to be invested from proceeds	Cumulative amount invested	Investment progress
Taizhou Anjoy's technology upgrading and renovation project	8,100.00	8,100.00	6,978.55	86.15%
Information construction project	10,000.00	10,000.00	8,393.78	83.94%
Brand image and supporting marketing services system construction project	30,000.00	30,000.00	30,337.55	101.13%
Replenishment of liquidity	114,100.00	114,100.00	115,325.16	101.07%
Total	563,457.41	563,457.41	433,784.15	76.99%

Note: The main reason that the investment progress for some of the proceed-funded projects has exceeded 100% is that the cumulative investment of proceeds includes income generated from the proceeds.

(II) Circumstances of the Proposed Changes to the Proceed-funded Projects

The total unutilized proceeds from the proposed changes to the proceed-funded projects, namely the Sichuan Anjoy Technical Renovation Project* (四川安井技改項目), the Liaoning Anjoy Technical Renovation Project* (遼寧安井技改項目), and the Taizhou Anjoy Technical Renovation Project* (泰州安井技改項目), amount to RMB181.00 million, and a portion of the unutilized proceeds from the Henan Phase III Project* (河南三期項目) amount to RMB180.41 million. A total of RMB361.41 million is proposed to reallocated to the Ding Yifeng Bread Baking Project* (鼎益豐烘焙麵包項目), accounting for 6.41% of the net proceeds of RMB5,634.5741 million.

The above matters have been considered and approved at the 22nd meeting of the fifth session of the Board and the 17th meeting of the fifth session of the Supervisory Committee of the Company, and shall be submitted to the general meeting of shareholders of the Company for consideration, the date of which will be separately notified. The change of the proceed-funded projects does not constitute a related-party transaction.

II. SPECIFIC REASONS FOR CHANGING THE PROCEED-FUNDED PROJECTS

(I) Planned Investment and Actual Investment of the Original Projects

1. Planned Investment and Actual Investment of the Original Projects

The implementation entity of the Sichuan Anjoy Technical Renovation Project* (四川安井技改項目) is Sichuan Anjoy Foods Co., Ltd. ("**Sichuan Anjoy**"), with the estimated Internal Rate of Return (after-tax) of 11.67%. The project has a total investment of RMB250 million (of which the proposed use of proceeds do not exceed RMB250 million) for projects including the construction of new established product freezer storage and fire protection systems for buildings for Sichuan Anjoy, along with the construction or modification of equipment related to quick-frozen food production. As of September 23, 2025, the accumulated proceeds invested amounted to RMB184.1517 million, with an investment progress of 73.66%.

The implementation entity for the Liaoning Anjoy Technical Renovation Project* (遼寧安井技改項目) is Liaoning Anjoy Foods Co., Ltd. ("**Liaoning Anjoy**"), with an estimated Internal Rate of Return (after-tax) of 11.61%. The project has a total investment of RMB180 million (of which the proposed uses of proceeds do not exceed RMB180 million) for the construction of new refuse houses and sludge temporary storage at Liaoning Anjoy, replacement of main power lines, partition walls, polycarbonate panel ceilings and main roof polycarbonate panels in the workshops, renovation of workshop trenches, and repair of workshop polyurethane floors, as well as the construction or renovation of equipment related to quick-frozen food production. As of September 23, 2025, the accumulated proceeds invested amounted to RMB115.6528 million, with an investment progress of 64.25%.

The implementation entity for the Taizhou Anjoy Technical Renovation Project* (泰州安井技改項目) is Taizhou Anjoy Foods Co., Ltd. ("**Taizhou Anjoy**"), with an estimated Internal Rate of Return (after-tax) of 7.27%. The project has a total investment of RMB81 million (of which the proposed uses of proceeds do not exceed RMB81 million), for renovation projects of the floor, sewers, ventilation ducts, ceilings, and partition panels in workshops at Taizhou Anjoy, as well as new construction or renovation of related equipment and auxiliary projects for quick-frozen food production. As of September 23, 2025, the accumulated proceeds invested amounted to RMB69.7855 million, with an investment progress of 86.15%.

The implementation entity of the Henan Phase III Project* (河南三期項目) is Henan Anjoy Foods Co., Ltd. ("**Henan Anjoy**"), with the estimated Internal Rate of Return (after-tax) of the project is 13.82%. The project has a total investment of RMB730 million (of which the proposed uses of proceeds do not exceed RMB730 million), used for civil engineering, equipment purchase and installation, and land acquisition in full. As of September 23, 2025, the accumulated proceeds invested amounted to RMB420.3517 million, with an investment progress of 57.58%.

2. ***Extension of the Original Projects***

The construction period regarding Sichuan Anjoy Technical Renovation Project* (四川安井技改項目), Liaoning Anjoy Technical Renovation Project* (遼寧安井技改項目) and Taizhou Anjoy Technical Renovation Project* (泰州安井技改項目) was originally scheduled for three years. On August 23, 2024, the Company convened the 12th meeting of the fifth session of the Board and the 11th meeting of the fifth session of the Supervisory Committee, respectively, to consider and approve the "Proposal on the Extension of Certain Proceed-funded Projects for Private Placement of Shares* (《關於部分非公開發行股份募投項目延期的議案》)", which agreed to extend the construction period to September 2025 for the Sichuan Anjoy Technical Renovation Project* (四川安井技改項目), Liaoning Anjoy Technical Renovation Project* (遼寧安井技改項目) and Taizhou Anjoy Technical Renovation Project* (泰州安井技改項目).

The original construction period of Henan Phase III Project* (河南三期項目) was expected to be four years. On April 25, 2025, the Company held the 18th meeting of the fifth session of the Board and the 15th meeting of the fifth session of the Supervisory Committee, respectively, to consider and approve the "Proposal on the Extension of Certain Proceed-funded Projects for Private Placement of Shares* (《關於部分非公開發行股份募投項目延期的議案》)". The proposal agreed to extend the construction period of Henan Phase III Project* (河南三期項目) to May 2028.

3. ***Subsequent Arrangements for the Original Projects***

The original projects will subsequently use its own funds when the construction will be reasonably arranged according to market conditions, not affecting the assets already formed.

(II) Specific Reasons for the Changes

The original proceed-funded projects of the Company, namely the Sichuan Anjoy Technical Renovation Project* (四川安井技改項目), Liaoning Anjoy Technical Renovation Project* (遼寧安井技改項目), Taizhou Anjoy Technical Renovation Project* (泰州安井技改項目), and Henan Phase III Project* (河南三期項目), were prudently formulated based on the continuous growth trend of the quick-frozen food industry at that time, the strategic needs to consolidate its leading market position, and the consideration of optimizing its national "**in-region production**" capacity layout. The projects, at their inception, aimed to seize the growth opportunities in the quick-frozen food industry through further enhancement of production efficiency and reduction in logistics costs apart from the rapid response to regional market demands as a result of achieving technology upgrades and capacity expansion. Since the project planning, the Company has steadily advanced the construction work, and the projects have largely met their set targets. However, the macroeconomic environment, industrial policies, and consumer market in China have all undergone changes. Meanwhile, the upgrade and adjustment of the demand structure at the consumer end is being upgraded and adjusted, characterized by consumers' increasingly prominent pursuit of health, nutrition, convenience, and diversified categories. The changes in the external environment above have altered the market foundation and industry landscape relied upon by the original proceed-funded projects in respect of the changes. In order to improve the efficiency of the use of proceeds, the changes are proposed to be conducted.

III. SPECIFICS OF NEW PROJECTS

(I) Basic Information

Project name:	New Bread Baking Project* (烘焙麵包項目) of Ding Yifeng Food (Taicang) Co., Ltd.* (鼎益豐食品(太倉)有限公司)
Project construction site:	29 Qingdao East Road, Taicang High-tech Zone
Project implementation entity:	Ding Yifeng Food (Taicang) Co., Ltd.* (鼎益豐食品(太倉)有限公司) ("**Ding Yifeng**")

Project construction details and scale: The construction details of the Bread Baking Project* (烘焙麵包項目) of Ding Yifeng cover production lines for toast, bagels, bread, pizza, and western-style pastries, with a designed full-load capacity of 67.42 tons of various bakery breads per day. The new project has a total land area of 16,718.70 sq.m. and a total gross floor area of 35,937.90 sq.m. (including completed and under construction areas), with a construction period of two years.

(II) Investment Plan

The total planned investment amounted to RMB410 million for the Bread Baking Project* (烘焙麵包項目) of Ding Yifeng. After deducting the invested amount of self-owned funds in the early stage, the proposed amount of proceeds to be utilized amounted to RMB361.41 million. The specific investment details are as follows:

Unit: RMB ten thousand

No.	**Project**	**Total Investment Amount**	**Amount of proceeds proposed to be invested in**
1.1	Project construction fee	14,928.51	14,928.51
1.2	Equipment purchase and installation costs	15,400.00	15,400.00
1.3	Other costs of construction	5,662.14	803.14
1.4	Preparatory fees	933.95	933.95
1	**Total project construction investment**	**36,924.60**	**32,065.60**
2	**Base working capital**	**4,075.40**	**4,075.40**
	Total	**41,000.00**	**36,141.00**

(III) Feasibility Analysis of the New Projects

1. Expansion of bakery product capacity to fill the market consumption gap

With the improvement of people's living standards and the changes in consumption structure, bakery products have become an important part of daily diet. According to Hongcan (紅餐) Big Data, the market size of bakeries (specialty stores) increased by 5.2% year-on-year to RMB110.5 billion in 2024. Currently, traditional bakery products still dominate, including bread, cakes, and biscuits, but with consumers' increasing health awareness, low-sugar, low-fat, and high-fiber bakery products are gradually gaining popularity.

As the continuous growth in consumer demand for taste-emotion healing, the demand in the bakery market will continue to be unleashed. Compared with developed countries, the per capita consumption of baked goods in China remains relatively low with great room for improvement in the future.

2. Promotion of category and channel synergy to create a new growth curve for the Company

The investment in the new Bread Baking Project* (烘焙麵包項目) becomes a key measure for the Company to deepen its strategic layout and cultivate new growth points, building on the advantages of its core quick-frozen food business. Drawing on and deepening the Company's successful experience in previous industrial layouts, the projects will achieve significant category complementarity and channel synergies.

In terms of categories, the Company has established a strong brand and market foundation in quick-frozen flavored and processed products and quick-frozen flour and rice products. Frozen bakery, as an emerging track with broad consumption scenarios, features clear premium space and consumption upgrade trends in the domestic market, which is a new development focus of the Company.

In terms of channels, the project will accomplish synergistic resonance and dual empowerment between new and old channels. On the one hand, the projects enable the Company to make full use of its existing mature and extensive distributor network and "small B-end" customer resources to provide strong support for the market introduction and penetration of new bakery products, achieving efficient channel reuse. On the other hand, bakery products are a core category for customized channels of "large B-ends" such as premium supermarkets (e.g., Walmart and ALDI), chain convenience stores, coffee and tea shops, and hotel catering. The implementation of the projects will effectively promote the expansion and in-depth development of the Company into such high-value channels, optimizing its customer structure.

In addition, with its over twenty years of deep experience in the quick-frozen food sector, the Company has established a comprehensive network of cold storage and cold chain logistics system, which reduces operating costs for new projects, improves the overall supply chain efficiency, and further strengthens Ding Yifeng's competitiveness in the frozen bakery segment.

(IV) Economic Benefits of the New Project

Upon the completion of the Ding Yifeng Bread Baking Project* (鼎益豐烘焙麵包項目), the normal annual revenue is expected to be RMB613.3871 million (tax included), with a total annual profit of RMB67.8257 million. The financial internal return rate (after income tax) of the project investment is expected to be 10.38% with the investment payback period of 8.05 years (after income tax, including a 2-year construction period).

IV. RISK ALERT

The feasibility analysis by the Company on Ding Yifeng Bread Baking Project* (鼎益豐烘焙麵包項目) is a comprehensive valuation based on factors including the current market environment, technological level, product prices and costs, while its expected earnings belong to forward-looking information. During the actual operation of the projects, the actual profitability of the projects may not reach the expected targets once significant adverse changes occur in the future macroeconomic environment, market environment, industrial policies, consumer preferences, or substantial increases in raw material prices, product sales prices falling short of expectations, and unsatisfactory market promotion effects.

V. APPROVAL AND FILING OF NEW PROJECT

Ding Yifeng has completed the filing for Ding Yifeng Bread Baking Project* (鼎益豐烘焙麵包項目) and obtained the "Jiangsu Province Investment Project Registration Certificate (Tai Xing Shen Tou Bei [2024] No. 390)* (《江蘇省投資項目備案證》(太行審投備[2024]390 號))" issued by the Administrative Approval Bureau of Taicang City. The Energy assessment and other procedures are still required to be performed during the project implementation, which are currently being processed.

VI. OPINIONS OF THE SUPERVISORY COMMITTEE AND THE SPONSOR ON THE PROPOSED CHANGES TO THE PROCEED-FUNDED PROJECTS

(I) Opinions of the Supervisory Committee

The Supervisory Committee is of the view that the proposed changes of certain proceed-funded projects of the Company is a prudent decision made based on the changes in the current external market environment and the needs of its own long-term strategic development. The decision brings benefits to further optimization of the resource allocation of the Company, improvement of the efficiency of the use of proceeds, expansion of its business layout in the frozen bakery sector in addition to fostering new profit growth points for the Company, which is consistent with the interests of the Company and all the shareholders. The changes will not violate the relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange. The Supervisory Committee approved the changes of certain proceed-funded projects.

(II) Verification Opinions of the Sponsor

Upon verification, the sponsor is of the view that: the changes to certain proceed-funded projects for private placement of shares have been considered and approved at the meeting of the Board and the Supervisory Committee of the Company, and shall be submitted to the general meeting of shareholders of the Company for consideration. The changes to certain proceed-funded projects for private placement of shares are the arrangement made by the Company according to the objective needs of the implementation of the proceed-funded projects, and comply with laws and regulations such as the Regulatory Rules for Raised Funds of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, and Guidelines for the Self-Regulatory and Supervision for Listed Companies on Shanghai Stock Exchange No. 1 – Standardized Operation, as well as the Company's management system of proceeds.

In conclusion, the sponsor has no objection to the changes to certain proceed-funded projects for private placement of shares of the Company.

By order of the Board
Anjoy Foods Group Co., Ltd.
Mr. Liu Mingming
Chairman of the Board and Executive Director

Xiamen, China, September 30, 2025

As at the date of this announcement, the Board of the Company comprises: (i) Mr. Liu Mingming, Mr. Zhang Qingmiao, Mr. Zhang Gaolu and Mr. Huang Jianlian as executive directors; (ii) Dr. Zheng Yanan and Mr. Dai Fan as non-executive directors; and (iii) Ms. Zhang Mei, Dr. Liu Xiaofeng, Dr. Zhao Bei and Mr. Zhang Yueping as independent non-executive directors.