THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shandong International Trust Co., Ltd.**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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
AND
NOTICE OF 2025
SECOND EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the
Independent Board Committee and Independent Shareholders

Lego Corporate Finance Limited
力高企業融資有限公司

A notice convening the EGM to be held at Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC on Friday, 7 November 2025 at 3:00 p.m. is set out on pages 116 to 117 of this circular, and the proxy form for use is enclosed herewith and also published on both the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.sitic.com.cn). If you intend to appoint a proxy to attend the EGM, you are requested to complete, sign and return the enclosed proxy form in accordance with the instructions printed thereon no less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (i.e. by 3:00 p.m. on Thursday, 6 November 2025). Completion, signing and return of the proxy form will not preclude you from attending and voting in person at the EGM.

21 October 2025

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In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"associate(s)"	has the meaning ascribed to it under 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, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 1697)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	ordinary share(s) of the Company with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid up in Renminbi
"EGM"	the 2025 second extraordinary general meeting of the Company to be held at Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC on Friday, 7 November 2025 at 3:00 p.m. and any adjournment thereof (as the case may be)
"Former CBIRC"	the Former China Banking and Insurance Regulatory Commission (原中國銀行保險監督管理委員會) or the former China Banking Regulatory Commission and/or the former China Insurance Regulatory Commission, replaced by the NFRA since May 2023 (as the context requires)
"Fund Interests"	the Target Interests in Parent Fund and the Target Interests in Wanhe Fund
"Group"	the Company and the trust schemes over which it has control
"H Share(s)"	ordinary share(s) of the Company with a nominal value of RMB1.00 each, traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"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, 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)"	Shareholders that are not required to abstain from voting at the EGM to consider and approve the transfers of the Fund Interests and the Transfer Agreements
"Latest Practicable Date"	20 October 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"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 limited liability company established on 31 January 2002 in the PRC, 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"	the National Financial Regulatory Administration (國家金融監督管理總局)

"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
"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"	Renminbi, the lawful currency of the PRC
"Securities and Futures Ordinance"	Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong)
"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
"Shareholders"	registered holders of the Share(s)
"Supervisor(s)"	the supervisor(s) of the Company
"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

The English names of PRC entities included in this circular are unofficial translations of their Chinese names and are included for identification purposes only. The valuation reports as set out in Appendix II and Appendix III are written in Chinese and there is no official English translation in respect thereof. The English translation is for reference only, and in case of any inconsistency between the English and Chinese versions, the Chinese version shall prevail. Unless otherwise specified, all amounts in the valuation reports are denoted in RMB. Certain figures set out in this circular have been subject to rounding adjustments. Accordingly, figures shown as the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

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)

Executive Director:
Mr. Yue Zengguang *(Chairperson)*

Non-executive Directors:
Mr. Chen Liuyi *(Vice-chairperson)*
Ms. Duan Xiaoxu
Mr. Chen Xuebin

Independent Non-executive Directors:
Ms. Zhang Haiyan
Mr. Zheng Wei
Ms. Liu Wanwen

Registered office:
Partial area of 1/F, 2/F and 13/F
32-35/F and 40/F, Tower A
No. 2788 Aoti West Road
Lixia District
Jinan, Shandong Province
PRC

Principal place of business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

21 October 2025

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS
TRANSFERS OF FUND INTERESTS
AND
NOTICE OF 2025
SECOND EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

The purpose of this circular is to give you a notice of the EGM, which is set out on pages 116 to 117 of this circular, and to provide you with, among other things, information in respect of the resolutions to be proposed at the EGM to enable you to make informed decisions on voting on the resolutions as described below. At the EGM, ordinary resolutions will be proposed to consider and approve: (i) the transfer of the Target Interests in Parent Fund and the Parent Fund Transfer Agreement, and (ii) the transfer of the Target Interests in Wanhe Fund and the Wanhe Fund Transfer Agreement.

II. CONNECTED TRANSACTIONS – TRANSFERS OF FUND INTERESTS

Reference is made to the announcement of the Company dated 12 September 2025 in relation to the transfers of Fund Interests and the Transfer Agreements.

1. 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 Latest Practicable Date, 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.

2. 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 Latest Practicable Date, 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.

3. 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.

The equity structure of Parent Fund as at the Valuation Reference Date is set out below:

Unit: RMB0'000

No.	Name of Partner	Subscribed Capital	Subscribed Ratio	Remaining Capital	Paid-up Ratio
1	Lucion Venture Capital	47,000.00	47.00%	29,873.06	47.00%
2	Shandong New Kinetic Energy Fund Management Co., Ltd. (山東省新動能基金管理有限公司)	25,000.00	25.00%	15,899.93	25.00%
3	The Company	18,200.00	18.20%	11,567.87	18.20%
4	Shandong Industrial Technology Research Institute Investment and Development Co., Ltd. (山東產業技術研究院投資發展有限公司)	7,400.00	7.40%	2,000.00	7.40%
5	Shandong High-Tech (the general partner of Parent Fund)	2,000.00	2.00%	4,703.42	2.00%
6	Liu Mengjie (劉夢傑)	400.00	0.40%	254.24	0.40%
	Total	100,000.00	100.00%	64,288.51	100.00%

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.

The equity structure of Wanhe Fund as at the Valuation Reference Date is set out below:

Unit: RMB0'000

No.	Name of Partner	Subscripted Capital	Subscribed Ratio	Remaining Capital	Paid-up Ratio
1	Anhui Lucion Private Equity Investment Fund Management Co., Ltd. (安徽魯信私募股權投資基金管理有限公司) (the general partner of Wanhe Fund)	500.00	1.00%	390.00	1.00%
2	Shandong High-Tech	12,500.00	25.00%	9,750.00	25.00%
3	Hefei Industry Investment Guidance Fund Co., Ltd. (合肥市產業投資引導基金有限公司)	12,000.00	24.00%	9,360.00	24.00%
4	Zhitong Capital Holdings (Shandong) Co., Ltd. (致同資本控股(山東)有限公司)	6,000.00	12.00%	4,680.00	12.00%
5	Anhui Ancheng Chinese Medicine Health Industry Development Fund Co., Ltd. (安徽安誠中醫藥健康產業發展基金有限公司)	5,000.00	10.00%	3,900.00	10.00%
6	Xuancheng High-tech Investment Development Group Co., Ltd. (宣城高新投資發展有限公司)	5,000.00	10.00%	3,900.00	10.00%
7	Anhui Lucion Investment Company Limited (安徽魯信投資有限公司)	5,000.00	10.00%	3,900.00	10.00%
8	The Company	4,000.00	8.00%	3,120.00	8.00%
	Total	50,000.00	100.00%	39,000.00	100.00%

4. 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 pages 72 to 78 of this circular for the valuation approach applied to the Target Interests in Parent Fund, and pages 103 to 107 of this circular for the valuation approach applied to 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 respectively. 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. 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. When selecting comparable listed companies, the Valuer followed the 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), the Asset Appraisal Practice Standards – Asset Appraisal Methods (Zhongpingxie [2019] No. 35) (《資產評估執業準則-資產評估方法》 (中評協[2019] 35號)) issued by the China Asset Appraisal Association (中國資產評估協會) and prevailing valuation practices, and identified listed companies that are (i) not subject to special treatment (denoted as ST stocks, which indicates that the relevant listed company is subject to abnormal financial conditions or other irregularities, which may result in its stocks being delisted, or the investors may encounter difficulties in assessing the prospects of the listed company, potentially impacting their investment rights) due to abnormal financial or other conditions, and (ii) listed for more than three years. Commonly used valuation multiples include the price-to-sales ratio (P/S), price-to-earnings ratio (P/E), and price-to-book ratio (P/B). The price-to-sales ratio refers to the ratio of the stock price to sales per share. Adopting the price-to-sales ratio can mitigate the effects of accounting policies related to depreciation and inventory. However, this metric may not accurately reflect the relationship between a company's profitability and its equity value. The price-to-earnings ratio represents the ratio of the stock price to earnings per share, typically using recent actual earnings or estimates. This ratio can be affected by capital structure and requires adjustments for accounting policies and non-operating losses. Moreover, it does not consider future earnings, which may not be suitable for the valuation of cyclical and loss-making companies. The price-to-book ratio represents the ratio of the stock price to net asset value per share, reflecting a company's historical investment scale and capital accumulation and their relevance to valuation to a certain extent. This metric is particularly suitable for companies with significant asset bases. 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 error 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). The Valuer then excluded comparables that exhibited material differences in the financial indicators (e.g. twice to the relevant indicators of the investee entity or higher), gradually narrowed down the differences in the financial indicators and identified the most comparable listed companies through repetitive comparisons and adjustments. Following the conclusion of the exercise, the Valuer retained at least three comparable listed companies. 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.

Set out below is an example of the process of selecting valuation multiple and comparable companies for an investee target engaged in the biotechnology sector whose appraised value was determined based on the market multiple method (the "**Target**").

There were a total of 63 A-share listed companies engaging in the relevant industry which has been listed for over three years and not subject to special treatment. The Valuer then performed the correlation regression analysis 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 for A-share listed companies engaged in the relevant industry sector, and the results of the correlation regression analysis were as follows:

Dependent variable	**Total market capitalisation**		
Independent variables	**B (owner's equity)**	**E (net profit)**	**S (operating income)**
Multiple R (correlation)	0.8127	0.5799	0.6764
R Square (goodness-of-fit)	0.6604	0.3363	0.4576
Observer value (number of market comparables)	63	63	63
Selection	√		

Based on the analysis above, the owner's equity was selected as the independent variable for the analysis of regression on the total market capitalisation as it demonstrated the best results, and therefore the price-to-book ratio has been selected as the appropriate valuation multiple.

The Valuer then compared the financial indicators of the 63 comparable companies and the Target against the Enterprise Performance Evaluation Benchmarks mentioned above. Individual scores were calculated, and the final scores for the 63 comparable companies and the Target were determined using the rating system of the benchmarks. Based on these scores, the Valuer computed the adjustment coefficients and excluded 41 comparable companies whose adjustment coefficients differed by more than 30%, resulting in a total of 22 remaining comparable companies.

When comparing the differences between the 22 market comparables and the Target in terms of financial indicators across four dimensions, i.e. 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), the Valuer excluded comparables that exhibited material differences in the financial indicators, and gradually narrowed down the differences in the financial indicators through repetitive comparisons and adjustments: (i) three market comparables with the differences in return on equity, current asset turnover and quick ratio being over 200% were removed; (ii) eight market comparables with the differences in sales

growth rate being over 100% were removed; and (iii) eight market comparables with the differences in return on equity, total asset turnover, sales growth rate and quick ratio being over 50% were removed, leaving three market comparables.

In order to ensure that the selected comparable companies are representative and to minimise the impact of an excessive number of comparables on the accuracy of the appraisal results, the number of comparable listed companies is typically kept at three or more when using the market approach to evaluate enterprise value. Following the screening process, the Valuer retained three market comparables, meeting the conditions for appraisal under the market approach.

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%. The three investee entities categorised as long-term equity investments valued using the market multiples method are Beijing Orbiepharm Co., Ltd. (北京歐博方醫藥科技有限公司), Jinan Micro Intelligent Technology Co., Ltd. (濟南顯微智能科技有限公司) and Qingdao Fambition Heavy Machinery Co., Ltd. (青島中鴻重型機械有限公司).

(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. For details of the five investee entities valued using the recent financing price method, please refer to the valuation report of the Target Interests in Parent Fund as set out in Appendix II to this circular (see paragraph marked "A" on page 77).

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. For details of the eight investee entities valued using the market multiples method, please refer to the valuation report of the Target Interests in Parent Fund as set out in Appendix II to this circular (see paragraph marked "B" on page 77).

C. For four sub-funds or investee entities 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. For details of the four sub-funds or investee entities valued using alternative methods, please refer to the valuation report of the Target Interests in Parent Fund as set out in Appendix II to this circular (see paragraph marked "C" on page 77).

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 applicable valuation methodologies (including the recent financing price method, market multiples method and alternative methods such as determining the appraised value based on book values and net assets). The appraised 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 value of the relevant project. The appraised value as at the Valuation Reference Date was approximately RMB234.14 million. For details of the four sub-funds valued using an asset-based approach, please refer to the valuation report of the Target Interests in Parent Fund as set out in Appendix II to this circular (see paragraph marked "D" on page 78).

(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 as at 31 December 2024 as adjusted based on the above formula is RMB178.4563 million. The book value of the Target Interests in Parent Fund held by the Company as at 31 December 2024 was RMB172.8069 million, representing a difference of RMB5.6494 million or approximately 3.27%. The Company is of the view that there is no material difference between the appraised value and the book value of the Target Interests in Parent Fund.

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 Orinko Advanced Plastics Co., LTD. (會通新材料股份有限公司, a company listed on the Shanghai Stock Exchange (stock code: 688219))). 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. For details of the two investee entities valued using the recent financing price method, please refer to the valuation report of the Target Interests in Wanhe Fund as set out in Appendix III to this circular (see paragraph marked "A" on page 106).

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%. For details of the eight investee entities valued using the market multiples method, please refer to the valuation report of the Target Interests in Wanhe Fund as set out in Appendix III to this circular (see paragraph marked "B" on page 106).

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. For details of the relevant investee entity, please refer to the valuation report of the Target Interests in Wanhe Fund as set out in Appendix III to this circular (see paragraph marked "C" on page 106).

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 as at 31 December 2024 is RMB37.1588 million. The book value of the Target Interests in Wanhe Fund held by the Company as at 31 December 2024 was RMB38.5295 million, representing a difference of RMB1.3707 million or approximately 3.58%. The Company is of the view that there is no material difference between the appraised value and the book value of the Target Interests in Wanhe Fund.

5. 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.

For further details about the approaches employed for the valuation of the Target Interests in Parent Fund and the Target Interests in Wanhe Fund, please refer to the valuation reports as set out in Appendix II and Appendix III to this circular.

6. 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 CBIRC'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.

7. 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 "6. 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.

Having considered the abovementioned factors, the Directors (including the independent non-executive Directors) 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.

8. 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 Latest Practicable Date, 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.

9. Implications under the 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 EGM. Except for Lucion Group and Shandong High-Tech, no other Shareholders are required to abstain from voting on the relevant resolutions.

10. Independent Board Committee

The Independent Board Committee has been formed by the Company to consider, and to advise the Independent Shareholders of the Company on the transfers of the Fund Interests and the Transfer Agreements. The Company has appointed Lego Corporate Finance to make recommendations to the Independent Board Committee and the Independent Shareholders of the Company on the transfers of the Fund Interests and the Transfer Agreements. A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 26 to 27 of this circular. The letter from the Independent Board Committee to the Independent Shareholders contains its recommendation on the transfers of the Fund Interests and the Transfer Agreements.

Having considered the factors mentioned above and the fact that the transfers of the Fund Interests will be conducted in the ordinary and usual course of business and on normal commercial terms, the independent non-executive Directors are of the view that the transfers of the Fund Interests and the Transfer Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

11. Independent Financial Adviser

The Company has appointed Lego Corporate Finance as the Independent Financial Adviser for providing advice to the Independent Board Committee and the Independent Shareholders on whether the terms of the Transfer Agreements are fair and reasonable, and whether the transfers of the Fund Interests are in the interests of the Company and the Shareholders as a whole. A letter from Lego Corporate Finance to the Independent Board Committee and the Independent Shareholders is set out on pages 28 to 51 of this circular. The letter from Lego Corporate Finance to the Independent Board Committee and the Independent Shareholders contains factors they have considered and their recommendations on the transfers of the Fund Interests and the Transfer Agreements.

III. EGM

The EGM will be held at Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC on Friday, 7 November 2025 at 3:00 p.m.. A notice convening the EGM is set out on pages 116 to 117 of this circular.

The holders of H Shares and Domestic Shares whose names appear on the registers of the members of the Company on Friday, 7 November 2025 are entitled to attend and vote at the EGM. The registers of members of the Company will be closed from Tuesday, 4 November 2025 to Friday, 7 November 2025 (both days inclusive), during which no transfer of Shares can be registered. All transfer documents together with the relevant share certificates must be lodged for registration with the Company's Hong Kong branch H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) or

the Office of the Board of Directors of the Company at 35/F, Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC (for holders of Domestic Shares) not later than 4:30 p.m. on Monday, 3 November 2025.

A proxy form for use at the EGM is enclosed herewith and also published on both the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.sitic.com.cn). If you intend to appoint a proxy to attend the EGM, you are requested to complete, sign and return the enclosed proxy form in accordance with the instructions printed thereon no less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (i.e. by 3:00 p.m. on Thursday, 6 November 2025). Completion, signing and return of the proxy form will not preclude you from attending and voting in person at the EGM.

IV. LISTING RULES REQUIREMENTS

According to Rule 13.39(4) of the Listing Rules, apart from certain exceptions, any vote of Shareholders at a general meeting must be taken by poll. The resolutions at the EGM will be voted by way of poll. The Chairperson of the EGM shall therefore demand voting on the resolutions set out in the notice of the EGM be taken by way of poll pursuant to Article 80 of the articles of association of the Company. An announcement on the poll results will be published on the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.sitic.com.cn), respectively by the Company after the conclusion of the EGM in the manner prescribed under the Listing Rules.

V. RECOMMENDATION

The Board considers that the transfers of the Fund Interests are in the Company's ordinary and usual course of business, and the terms of the Transfer Agreements are determined on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the resolutions to be proposed at the EGM as set out in the notice of the EGM.

Yours faithfully
By order of the Board
Shandong International Trust Co., Ltd.
Yue Zengguang
Chairperson

The following is the text of a letter from the Independent Board Committee setting out its recommendation to the Independent Shareholders in relation to the transfers of the Fund Interests and the Transfer Agreements.

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)

21 October 2025

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS
TRANSFERS OF FUND INTERESTS

We refer to the circular of the Company dated 21 October 2025 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular, unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the terms of the transfers of the Fund Interests and the Transfer Agreements, and to give recommendation to the Independent Shareholders as to whether, in our opinion, the transfers of the Fund Interests are in the Company's ordinary and usual course of business, whether the terms of the Transfer Agreements are determined on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and whether it is in the interest of the Company and the Shareholders as a whole. Lego Corporate Finance has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transfers of the Fund Interests and the Transfer Agreements.

We wish to draw your attention to the letter from the Board set out in the section of Letter from the Board in the Circular which contains, among other things, information about the transfers of the Fund Interests and the Transfer Agreements, the letter of advice from Lego Corporate Finance set out in the section of Letter from Lego Corporate Finance in the Circular which contains its advice in respect of the transfers of the Fund Interests and the Transfer Agreements, and the information set out in the appendix thereto.

Having considered the transfers of the Fund Interests and the Transfer Agreements and having taken into account the advice from Lego Corporate Finance as stated in its letter, we consider that the transfers of the Fund Interests are in the Company's ordinary and usual course of business, and the terms of the Transfer Agreements are determined on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM in relation to the transfers of the Fund Interests and the Transfer Agreements.

Yours faithfully,
For and on behalf of
Independent Board Committee

Ms. Zhang Haiyan	**Mr. Zheng Wei**	**Ms. Liu Wanwen**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the full text of a letter of advice from Lego Corporate Finance, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation into this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the transfers of the Fund Interests and the Transfer Agreements.



21 October 2025

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTIONS
TRANSFERS OF FUND INTERESTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transfers of Fund Interests and the Transfer Agreements. Details of which are set out in the "Letter from the Board" (the "**Letter from the Board**") the contained in the circular dated 21 October 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 12 September 2025 in relation to the transfers of Fund Interests and the Transfer Agreements.

On 12 September 2025 (after trading hours), the Company entered into the Parent Fund Transfer Agreement with Lucion Venture Capital, pursuant to which 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 contribution of RMB182.0 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. The consideration payable by Lucion Venture Capital for the transfer of the Target Interests in Parent Fund was RMB166.3849 million.

On 12 September 2025 (after trading hours), the Company entered into the Wanhe Fund Transfer Agreement with Shandong High-Tech, pursuant to which 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 contribution of RMB40.0 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 amounted to RMB31.20 million. The consideration payable by Shandong High-Tech for the transfer of the Target Interests in Wanhe Fund was RMB37.1588 million.

As at the Latest Practicable Date, 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 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.

LISTING RULES IMPLICATIONS

Pursuant to Chapter 14 of the Listing Rules, the transfers of 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 (directly holding approximately 48.13% and indirectly holding approximately 4.83% of the total issued Shares), they are connected persons of the Company under the Listing Rules. Accordingly, the transfers of 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 applicable percentage ratios are below 25%, the transfers of Fund Interests constitute disclosable transactions and connected transactions of the Company, and is therefore subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under the Listing Rules.

The Independent Board Committee (comprising all independent non-executive Directors) has been formed by the Company to consider, and to advise the Independent Shareholders on the transfers of the Fund Interests and the Transfer Agreements. The Company has appointed Lego Corporate Finance to make recommendations to the Independent Board Committee and the Independent Shareholders as to (i) whether the transfers of the Fund Interests are conducted in the ordinary and usual course of business and on normal commercial terms; and (ii) whether the transfers of the Fund Interests and the Transfer Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to whether to vote in favour of the relevant resolution(s) to be proposed at the EGM. As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in such regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, Lego Corporate Finance did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as relevant to the independence of Lego Corporate Finance. In the last two years, there was no other engagement between the Group and Lego Corporate Finance. Apart from normal professional fees paid or payable to us in connection with this appointment as the independent financial adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Company or any other party to the transactions. Accordingly, we are qualified to give independent advice in respect of the transfers of the Fund Interests and the Transfer Agreements.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on, amongst others, (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Company; (iii) the opinions expressed by and the representations of the Directors and the management of the Company ("**Management**"); (iv) the valuation reports of the Target Interests in Parent Fund and Wanhe Fund prepared by China United Assets Appraisal Group Shandong Co., Ltd., an independent valuer appointed by the Company (the "**Independent Valuer**", and the "**Valuation Report of Parent Fund**" and the "**Valuation Report of Wanhe Fund**", respectively, and together, the "**Valuation Reports**")); and (v) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the date of the Circular and all such statements of belief, opinions and intention of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors, the Management, the Independent Valuer and/or other advisers of the Company. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Company and/or Directors and the Management are true, accurate, complete and not misleading in all material respects at the time they were made and continued to be so until the date of the EGM. Should there be any subsequent material changes which occur during the period from the Latest Practicable Date up to the date of the EGM to be advised by the Company, we will notify the Independent Board Committee and the Independent Shareholders as soon as practicable.

We consider that we have reviewed the relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, the parties to the transfers of the Fund Interests, the Parent Fund, the Wanhe Fund or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have considered the following principal factors and reasons:

1. Background Information

(a) Information on the parties

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.

The following table summarises the consolidated financial information of the Group for the two years ended 31 December 2024 ("**FY2023**" and "**FY2024**") and the six months ended 30 June 2024 and 2025 ("**6M2024**" and "**6M2025**") as extracted from the Company's annual report for FY2024 (the "**2024 Annual Report**") and the Company's interim report for the six months ended 30 June 2025 (the "**2025 Interim Report**"):

	6M2025	**6M2024**	**FY2024**	**FY2023**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total operating income	**633,861**	**587,752**	**904,977**	**1,190,457**
– Net interest income	(7,835)	(4,550)	(56,270)	100,235
– Net fee and commission income	225,626	270,763	455,105	766,122
– Investment income	84,011	42,144	67,155	72,373
– Gains from changes in fair value	319,318	241,813	414,594	212,740
Total operating costs	358,508	295,780	610,809	781,110
Operating profit	275,353	291,972	294,168	409,347
Total profit	230,402	253,327	213,594	290,150
Net profit	167,419	170,508	142,795	158,633

	As at 30 June 2025	As at 31 December 2024	2023
	RMB'000	*RMB'000*	*RMB'000*
Total assets	14,084,394	14,279,338	14,168,884
Total liabilities	2,736,951	3,042,612	3,079,506
Net assets	11,347,443	11,236,726	11,089,378

For the years ended/As at 31 December 2023 and 2024

The Group's total operating income decreased from approximately RMB1,190.5 million for FY2023 to approximately RMB905.0 million for FY2024, representing a decrease of approximately 24.0%. As disclosed in the 2024 Annual Report, such decrease was mainly attributable to the combined effects of (i) the decrease in net fee and commission income of approximately RMB311.0 million, mainly due to the transformation of the Company's trust business; and (ii) the decrease in net interest income of approximately RMB156.5 million, mainly due to the decrease in interest income derived from loans and advances to customers and debt investments, which were partially offset by the increase in gains from changes in fair value of approximately RMB201.9 million, mainly derived from the Group's financial assets held for trading such as equity investment in non-listed companies and stock investment in FY2024.

The Group recorded a decrease in net profit from approximately RMB158.6 million for FY2023 to approximately RMB142.8 million for FY2024, representing a decrease of approximately 10.0%. Such decrease was mainly attributable to the combined effects of (i) the decrease in the Group's total operating income as explained above; and (ii) the decrease in credit impairment losses of the Group from approximately RMB500.5 million for FY2023 to approximately RMB302.0 million for FY2024, as a result of the actual credit risk profile and previous provisions made.

As at 31 December 2024, total asset of the Group amounted to approximately RMB14,279.3 million, which mainly comprised of (i) debt investments of approximately RMB4,596.4 million; (ii) financial assets held for trading of approximately RMB4,372.5 million; (iii) loans and advances to customers of approximately RMB2,159.1 million; (iv) long-term equity investments of approximately RMB723.4 million; and (v) monetary assets of approximately RMB591.7 million.

For the six months ended/As at 30 June 2024 and 2025

The Group's total operating income increased from approximately RMB587.8 million for 6M2024 to approximately RMB633.9 million for 6M2025, representing an increase of approximately 7.8%. As disclosed in the 2025 Interim Report, such increase was mainly attributable to the combined effects of (i) the increase in gains from changes in fair value of approximately RMB77.5 million, mainly due to the increase in gains from

changes in fair value of the Group's financial assets held for trading such as stock investment in the first half of 2025; and (ii) the increase in investment income of approximately RMB41.9 million, mainly attributable to the increase of investment income from holding financial assets, which were partially offset by the decrease in net fee and commission income of approximately RMB45.1 million, mainly due to the transformation of the Company's trust business.

The Group recorded a decrease in net profit from approximately RMB170.5 million for 6M2024 to approximately RMB167.4 million for 6M2025, representing a decrease of approximately 1.8%. Such decrease was mainly attributable to the combined effects of (i) the increase in the Group's total operating income, mainly due to the combined effects of the increase in total operating income as explained above; and (ii) the increase in credit impairment losses of the Group from approximately RMB155.0 million for 6M2024 to approximately RMB233.7 million for 6M2025, as a result of the actual credit risk profile and previous provisions made.

As at 30 June 2025, total asset of the Group amounted to approximately RMB14,084.4 million, which mainly comprised of (i) debt investments of approximately RMB4,396.5 million; (ii) financial assets held for trading of approximately RMB3,668.2 million; (iii) loans and advances to customers of approximately RMB 2,038.8 million; (iv) long-term equity investments of approximately RMB723.8 million; and (v) monetary assets of approximately RMB344.3 million.

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.

(b) Information on the Targets of Transfers

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 for FY2023 and net loss before tax for FY2024 of Parent Fund were RMB285.5721 million and RMB145.4199 million, respectively. Its net profit after tax for FY2023 and net loss after tax for FY2024 were RMB285.5721 million and 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 RMB166.3849 million. Parent Fund primarily invests in the biotechnology, medical devices, aerospace, new energy and new materials, and intelligent manufacturing sectors, respectively. It invests in sub-funds or in the investment targets directly.

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 as adjusted based on the above formula is RMB178.4563 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 for FY2023 and net loss before tax for FY2024 of Wanhe Fund were RMB87.8105 million and RMB52.1920 million, respectively. Its net profit after tax for FY2023 and net loss after tax for FY2024 were RMB87.8105 million and 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 RMB37.1588 million.

Wanhe Fund primarily invests in the biotechnology, medical devices, aerospace, new energy and new materials, and intelligent manufacturing sectors, respectively. It invests in the investment targets directly.

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.

(c) Reasons for and Benefits of the Transfers of Fund Interests

As disclosed in the Letter from the Board, the Company is currently at a critical juncture in its journey marked by deepening reform and the advancement of business transformation and upgrading. The proposed transfers of the Fund Interests will serve as an effective asset conversion exercise for 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* as disclosed in the section headed "6. Use of Proceeds" in the Letter from the Board, 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. Based on our discussion with the Management, we were given to understand that upon completion of the transfers, the Company will have effectively fulfilled 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.

Taking into consideration that the transfers of Fund Interests (i) is an initiative of the Company with an aim to comply with the notice issued by the General Office of the China Banking and Insurance Regulatory Commission as mentioned above, and (ii) enable the release of considerable amount of cash flow to be reallocated and better utilised for the ongoing business development and enhancement of the competitive edge of the Group's core trust business in the market, which is in line with its long-term strategy to maintain a stable and continuous development with a steady and positive trend as emphasised by the Management and in the 2024 Annual Report, the Directors are of the opinion, and we concur, that (a) the transfers of the Fund Interests are considered to be in the ordinary and usual course of business of the Company; and (b) are in the interests of the Company and its Shareholders as a whole.

2. The Transfers of Fund Interests and the Transfer Agreements

The principal terms of the transfers of Fund Interests and the Transfer Agreements are summarised as follows.

(a) Parent Fund Transfer Agreement

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 RMB182.0 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, 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 was 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 Latest Practicable Date, 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.

(b) Wanhe Fund Transfer Agreement

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 RMB40.0 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 RMB8.8 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 RMB31.2 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 Latest Practicable Date, 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.

(c) Considerations for the Transfers of Fund Interests

As disclosed in the Letter from the Board, 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 Independent 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 Independent Valuer, which was RMB37.1588 million.

For further details regarding the valuation approaches adopted in the Valuation Report of Parent Fund and the Valuation Report of Wanhe Fund, please refer to the reports as set out in Appendix II and Appendix III to the Circular, respectively.

(d) Use of Proceeds

The gross proceeds arising from the transfers of the Fund Interests is expected to be amounted to RMB203.5437 million, with the net proceeds (after deducting relevant transaction costs and taxes) expected to be amounted to 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 CBIRC'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.

Taking into consideration (i) of the reasons for and benefits of the transfers of Fund Interests as discussed above; and (ii) that the considerations for the transfers of Fund Interests are determined after arm's length negotiation based on normal commercial terms and with reference to the Valuation Reports prepared by the Independent Valuer, the Directors are of the opinion, and we concur, that the transfers of the Fund Interests are conducted in the ordinary and usual course of business of the Company, and that the transfers of the Fund Interests and the terms of the Transfer Agreements are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and its Shareholders as a whole.

3. The valuation of the Fund Interests

In order to assess the fairness and reasonableness of the considerations for the transfers of Fund Interests, we have obtained and reviewed the Valuation Reports. It is noted that (i) the assessed value of interests in Parent Fund is RMB178.4563 million; and (ii) the assessed value of interests in Wanhe Fund is RMB37.1588 million, as at the Valuation Reference Date.

For due diligence purpose, we have reviewed the Valuation Reports and interviewed Mr. Li Yan Chao, the project manager of the Independent Valuer, as to its expertise, independence and details in relation to the Valuation Reports, particularly (i) the Independent Valuer's terms of engagement with the Company; (ii) the Independent Valuer's qualification and experience in relation to the preparation of the Valuation Reports; and (iii) the steps and due diligence measures taken by the Independent Valuer in performing the valuations. From our review of the engagement letter between the Company and the Independent Valuer, we are satisfied that the terms of engagement between the Company and the Independent Valuer are appropriate to the opinion the Independent Valuer is required to be given, with no limitations on the scope of work which might adversely impact on the degree of assurance given by the Independent Valuer. Furthermore, as advised by the Independent Valuer, the Company, Lucion Venture

Capital and Shandong High-Tech have not made any formal or informal representations to the Independent Valuer that contravenes with their understanding and assessment on the relevant material information as set out in the Valuation Reports. Based on the engagement letter and other relevant information provided by the Independent Valuer, we noted that the Independent Valuer is a qualified asset appraisal firm which provides valuation services. We understand that Mr. Li Yanchao is a member of the China Appraisal Society, who has over 10 years' experience in the valuation of equity interests and financial assets of fund companies in the PRC. We have also obtained information on the track records of the Independent Valuer and noted that it has experience in the provision of a wide range of valuation services to numerous listed companies in Hong Kong and the PRC.

In addition, we have enquired with and the Independent Valuer has confirmed that it is independent from the Company, Lucion Venture Capital, Shandong High-Tech and their respective associates. The Independent Valuer also confirmed that they were not aware of any relationships or interest between itself and the Company, Lucion Venture Capital, Shandong High-Tech or any other parties that could reasonably be regarded as relevant to its independence to act as the independent valuer of the Company. The Independent Valuer also confirmed that apart from normal professional fees paid or payable to them in connection with its appointment as the Independent Valuer, no arrangements exist whereby it has received or will receive any fees or benefits from the Company, Lucion Venture Capital, Shandong High-Tech or any other party to the transactions.

We noted that the Independent Valuer mainly carried out its due diligence through discussion with the Management and conducted its own proprietary research and has relied on public information obtained through its own research as well as the information provided by the Management. We were advised by the Independent Valuer that it has assumed such information to be true, complete and accurate and has accepted it without verification.

As stated in the Valuation Reports, in valuing the fund interests, the Independent Valuer has complied with all the requirements applicable laws and regulations, including, among others, The Asset Appraisal Law of the People's Republic of China (as adopted at the 21st meeting of the Standing Committee of the 12th National People's Congress of the People's Republic of China on 2 July 2016) (《中華人民共和國資產評估法》(2016年7月2日第十二屆全國人民代表大會常務委員會第二十一次會議通過)), the Interim Regulations for the Supervision and Administration of State-owned Assets of Enterprises (Order No. 378 of the State Council, 2003) (《企業國有資產監督管理暫行條例》(國務院第378號令,2003)), the Measures for the Administration of Assessment of State-owned Assets (as issued by Order No. 91 of the State Council on 16 November 1991 and amended by the Decision of the State Council Concerning Amendments to and Abolition of Certain Administrative Regulations (Order No. 732 of the State Council) on 29 November 2020) (《國有資產評估管理辦法》(1991年11月16日國務院令第91號發佈,根據2020年11月29日《國務院關於修改和廢止部分行政法規的決定》(國務院令第732號)修訂)), and Measures for the Financial Supervision and

Administration of the Asset Appraisal Industry (Order No. 86 of the Ministry of Finance of the People's Republic of China as considered and approved at its meeting on 21 April 2017) (《資產評估行業財政監督管理辦法》(2017年4月21日,中華人民共和國財政部令第86號,財政部部務會議審議通過)).

As stated in the Valuation Reports, on-site assessments have been performed by the Independent Valuer to understand, among others, the enterprise's financial system, operating status and other relevant matters, and conducted asset verification and due diligence.

Valuation methodology

We have discussed with the Independent Valuer the methodologies, bases and assumptions adopted during the course of conducting the valuations. As advised by the Independent Valuer, they have considered three generally accepted valuation approaches namely the asset-based approach, the market approach and the income approach and is of the view that asset-based approach is the most appropriate approach in determining the values of the transfers of Fund Interests.

As disclosed in the Valuation Reports, 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 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.

In selecting the appropriate valuation approach for the preparation of the Valuation Reports, as discussed and confirmed by the Independent Valuer, the following valuation approaches have been considered with the following conclusions:

(i) **Income approach**: 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 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.

(ii) **Market approach**: 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 unique nature of operation of the appraised entity means that the market approach is inapplicable due to the lack of comparable market transactions.

(iii) **Asset-based approach**: 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, under which each category of the assets and liabilities of the subject can be individually assessed with the most appropriate valuation methodologies in accordance with their respective nature and specific characteristics. 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 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 the Valuations.

Having considered (i) the Valuation Reports were prepared by the Independent Valuer under asset-based approach on the premises of open market in accordance with applicable laws, regulations and standards, taking into consideration the actual situation of the assets to be appraised, relevant market transaction data and prevailing market price standard with reference to the historical cost record of the valuation subject, of which the outcome of the asset-based approach was adopted to conclude the appraised values of the Valuations; (ii) due to the difficulty and uncertainty in projecting accurate and reasonable forecasts of the future income and operating performance of the investment projects, adopting income approach as the overall valuation methodology is considered not suitable; and (iii) due to the unique nature of the appraised entities, adopting market approach as the overall valuation methodology is not applicable with the lack of comparable market transactions, we concur with the Independent Valuer on the adoption of asset-based approach as a whole, under which each category of the assets and liabilities of the Fund Interests can be individually assessed with the most appropriate valuation methodologies in accordance with their respective nature and specific characteristics for conducting the Valuations as the most appropriate and reasonable approach.

The scope of appraisal of the Target Interests in Parent Fund and Wanhe Fund includes all assets and liabilities of Fund Interests as at the Valuation Reference Date, mainly comprising current assets, non-current assets (including long-term equity investments other non-current financial assets) and current liabilities.

For due diligence purpose, we have obtained the auditor's reports of Parent Fund (reference number: XYZH/2025JNAA1B0077) and Wanhe Fund (reference number: XYZH/2025JNAA1B0051) issued by ShineWing Certified Public Accountants (Special General Partnership) to cross-check the relevant financial data used in the valuations, and confirmed such information is consistent with the financial inputs applied in the valuations with no discrepancies noted.

We understood from the Independent Valuer that under the asset-based approach adopted in the Valuations, different methodologies have been applied based on individual assessments on each of the categories of assets and liabilities under the Fund Interests. According to the Valuation Reports, the methodologies applied for the valuation of the respective categories of assets and liabilities under the Fund Interests as set out as follow:

1. Current Assets

Current assets included monetary funds, other receivables, transactional financial assets and other current assets.

(1) Monetary Funds

Monetary funds consisted of bank deposits. The carrying value of the bank deposits are based on bank statements and verified by bank confirmations. For Renminbi accounts, the verified carrying value was adopted as the assessed value.

(2) Other Receivables

The carrying value of other receivables are verified based on ledger records. The assessed value of other receivables was calculated by deducting the assessed risk loss from the total amount of receivables.

(3) Transactional financial assets

The transaction financial assets comprised equity investments. The appraised value was based on 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 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

(4) 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 Independent Valuer 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. The Independent Valuer has obtained understanding 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

Non-current assets included long-term equity investments and other non-current financial assets.

(1) Long-term Equity Investments

Based on the Valuation Reports, as an initial step, the Independent Valuer 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 Independent Valuer 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, the Independent Valuer is of the view that only the market multiple method is applicable for the appraisal. In determining the valuation of long-term equity investments, the Independent Valuer 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. The appraised value of the long-term equity investments is estimated based on the following formula:

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

(2) Other non-current Financial Assets

Based on the Valuation Reports, as an initial step, the Independent Valuer 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.

(a) 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

(b) For investee entities that are not listed companies, an appropriate method for overall valuation was selected among the asset-based approach, income approach and market approach based on analysis of the financial and operational status of the investee entities and their actual conditions. The valuation was calculated with the following formula:

Valuation of Long-term Equity Investments = Appraised Net Asset Value of the Investment Project × Shareholding Ratio

We were given to understand from the Independent Valuer that based on the analysis of the available information, data collected and the specific characteristics with regard to (i) the 21 investee entities under the other non-current financial assets of Parent Fund; and (ii) the 11 investee entities under the other non-current financial assets of Wanhe Fund, various valuation methods were adopted, including:

– 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;

– 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; and

– Assets-based approach: Appraised value based on the carrying value of net assets using valuation formula and/or verified book values.

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.

Based on the abovementioned, as disclosed in the Valuation Reports, the results of the Valuations as at the Valuation Reference Date are extracted as follow:

	Carrying value *RMB (million)*	**Assess value** *RMB (million)*	**Change** *RMB (million)*	*%*
Parent Fund				
Current assets	77.1	77.1	–	–
Non-current assets	976.0	933.1	(42.9)	(4.4)
– Long-term equity investments	67.0	70.7	3.7	5.5
– Other non-current financial assets	909.0	862.4	(46.6)	(5.1)
Total assets	1,053.1	1,010.2	(42.9)	(4.1)
Total liabilities	0.7	0.7	–	–
Net assets (owner's equity)	1,052.4	1,009.5	(42.9)	(4.1)
Wanhe Fund				
Current assets	80.4	80.4	–	–
Non-current assets	382.6	384.1	1.5	0.4
- Other non-current financial assets	382.6	384.1	1.5	0.4
Total assets	463.0	464.5	1.5	0.3
Total liabilities	–	–	–	–
Net assets (owner's equity)	463.0	464.5	1.5	0.3

We have obtained detailed explanations of the Valuation Reports and discussed with the Independent Valuer to further understand the rationale and valuation procedures in assessing the appraised values of the Fund Interests.

For due diligence purpose in respect of the investees under the other non-current financial assets of the Fund Interests which applied the recent financing price method and market multiple method, we have (i) enquired with the Independent Valuer regarding the recent financing events which the valuation method made reference to, among others, the equity transfer agreement recently executed by the investees, including the consideration amount and loan prime rate applied as the discount rate in the calculation of net present

value. We have cross-checked and noted the loan prime rate has been correctly adopted in accordance with the rate published by The People's Bank of China, and reperformed the calculation with no discrepancies noted; (ii) obtained and reviewed the lists of comparable companies of the respective investees identified by the Independent Valuer under the market multiple method based on the selection criteria, among others, companies within the same industry and engaged in similar principal business of the investees listed in the Shenzhen Stock Exchange, the Shanghai Stock Exchange and the Beijing Stock Exchange. We noted that based on the 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), the Asset Appraisal Practice Standards – Asset Appraisal Methods (Zhongpingxie [2019] No. 35) (《資產評估執業準則–資產評估方法》(中評協[2019]35號)) issued by the China Asset Appraisal Association (中國資產評估協會) and prevailing valuation practices, further selection has been conducted in the comparable companies by excluding listed companies (a) subject to special treatment as denoted in the stock exchanges ("**ST Stocks**"), which indicates that the relevant listed company is subject to abnormal financial conditions or other irregularities, which may result in its stocks being delisted, or the investors may encounter difficulties in assessing the prospects of the listed company, potentially impacting their investment rights; (b) listed for less than three years on the respective stock exchange; (c) based on the assessment indicators, respective weightings and rating system in accordance with the latest Enterprise Performance Evaluation Benchmarks issued by the 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)) ("**Enterprise Performance Evaluation Benchmarks 2024**"); or (d) exhibiting material differences in key financial indicators compared to the investee entities (e.g. twice to the relevant indicators of the investee entity or higher, including but not limited to return on equity, return on total assets, total asset turnover, quick ratio and sales growth rate), where the differences have been gradually narrowed down through repetitive comparisons in identifying the comparable companies. Based on the aforementioned selection criteria and our review of the list of comparable companies, the financial indicators therein and relevant public information on the stock exchanges, the selected comparable companies are considered fair, representative and sufficient for comparison purpose; (iii) reviewed the correlation regression analysis on the dependent and independent variables performed by the Independent Valuer regarding the selection of valuation multiple, and noted that the valuation multiples with the best results from the analysis have been selected accordingly; (iv) cross-checked the financial indicators (including but not limited to return on equity, return on total assets, total asset turnover, quick ratio and sales growth rate) of selected comparable companies to relevant public information on the stock exchanges and Wind Information Co., Ltd. ("**Wind**"), a service provider of financial data, information and software, and noted such data has been correctly adopted; (v) reviewed the assessment indicators, the respective weightings and rating system applied in the calculations, which were adopted in accordance with the Enterprise Performance Evaluation Benchmarks 2024, which is considered a reliable set of evaluation benchmarks published by the governmental regulatory authority in the PRC and widely accepted in the industry; and (vi) reviewed the discount for lack of marketability ("**DLOM**") applied for

non-listed investee entities and the discount calculation. It is noted that the DLOM are determined with reference to data sourced from stock exchanges and Wind, being the 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, which is a widely accepted approach for valuing private companies.

Furthermore, based on our due diligence work performed in respect of the Valuation Reports, the lists of comparable companies and certain underlying information as aforementioned, we noted that for the long-term equity investments under the Parent Fund appraised by market multiple method, the Independent Valuer has 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 device sector, and (ii) the price-to-book ratio as the applicable valuation multiple for target projects engaged in the intelligent manufacturing sector. The Independent Valuer then selected three to four domestic listed companies as comparables based on, as abovementioned, (i) whether the listed companies are subject to special treatment (denoted as ST Stocks) due to abnormal financial or other conditions; (ii) where the companies are listed for less than three years on the respective stock exchange, and (iii) the differences in financial indicators, then applied adjustments to the valuation multiples accordingly. 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 DLOM ranged between 20% and 40%.

For certain other non-current financial assets under the Parent Fund appraised by market multiple method, we noted that the Independent Valuer has identified approximately 60 to 460 listed companies in similar sectors (i.e. biotechnology, aerospace and new energy and materials sectors) and selected the price-to-book ratio as the applicable valuation multiple for the relevant target projects. The Independent Valuer then selected three to five domestic listed companies as comparables based on, as abovementioned, (i) whether the listed companies are subject to special treatment (denoted as ST Stocks) due to abnormal financial or other conditions; (ii) where the companies are listed for less than three years on the respective stock exchange, and (iii) the differences in financial indicators, then applied adjustments to the valuation multiples accordingly. The adjusted price-to-book ratios ranged between 1.8 and 13.0. The relevant DLOM ranged between 10% and 40%.

For certain other non-current financial assets under the Wanhe Fund appraised by market multiple method, we noted that the Independent Valuer has 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 device 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 Independent Valuer then selected three to five domestic listed companies as comparables based on, as abovementioned, (i) whether the listed companies are subject to special treatment (denoted as ST Stocks) due to abnormal financial or other conditions; (ii) where the companies are listed for less than three years on the respective stock exchange, and (iii) the differences in financial indicators, then applied adjustments to the valuation multiples accordingly. The (i) adjusted price-to-earnings ratios ranged between 30 and 35, (ii) adjusted price-to-sales ratios ranged between 25 and 30, and (iii) adjusted price-to-book ratios ranged between 1.0 and 13.0 The relevant DLOM ranged between 20% and 40%.

Pursuant to our abovementioned work performed, discussions with the Independent Valuer and review of the Valuation Reports and certain underlying information, we have not identified material factors that may cause us to cast doubt on the appropriateness, fairness and reasonableness of the valuation approaches and methodologies, key bases and assumptions, and key parameters adopted in the Valuation Reports. It is noted that (i) the assessed value of interests in Parent Fund is RMB178.4563 million, representing a difference of RMB5.6494 million or approximately 3.27% as compared to the respective book value of RMB172.8069 million; and (ii) the assessed value of interests in Wanhe Fund is RMB37.1588 million, representing a difference of RMB1.3707 million or approximately 3.56% as compared to the respective book value of RMB38.5295 million, as at the Valuation Reference Date. The Company is of the view, and we concur, that there is no material difference between the appraised values and the book values of the Target Interests in Parent Fund and the Target Interests in Wanhe Fund.

Taking into account (i) the above factors considered in the valuation of assets and liabilities of the Fund Interests; (ii) the key bases and information relied on verifying the book values of the Fund Interests; and (iii) our independent work performed on the Valuation Reports, we are of the view that the appraised values, and thus the consideration of the transfer of the Fund Interests, are fair and reasonable.

Assumptions

The Valuation Reports have set out general and special assumptions under the section headed "IX. VALUATION ASSUMPTIONS" in Appendix II and Appendix III to the Circular. Based on our review of the Valuation Reports and the assumptions contained therein, our discussion with the Valuer, we are of the view that the assumptions of the Valuation Reports are considered to be fair and reasonable.

4. Financial Impact of the Transfers of Fund Interests

As disclosed in the Letter from the Board, 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 approximately RMB12.1 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 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 Latest Practicable Date, 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.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the view that the transfers of Fund Interests and the entering into of the Transfer Agreements are in the ordinary and usual course of business of the Group and are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we advise the Independent Shareholders, to vote in favour of the ordinary resolutions to be proposed at the EGM for approving the transfers of Fund Interests and the entering into of the Transfer Agreements.

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited
Joshua Liu
Managing Director

Mr. Joshua Liu is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 25 years of experience in the securities and investment banking industries.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors, Supervisors, senior management or their respective associates had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the Securities and Futures Ordinance) which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including the interests or short positions which they were taken or deemed to have under such provisions of the Securities and Futures Ordinance); (ii) to be entered into the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance; or (iii) to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the Securities and Futures Ordinance, and to the best of the Company's knowledge, the following persons had interests or short positions in the shares or underlying shares of the Company which are discloseable pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance, or directly or indirectly owned any class of share capital of the Company of 5% or above:

Name of Shareholder	Class of shares	Nature of interests[1]	Number of underlying shares held[2]	Approximate percentage of the class of underlying shares[2]	Approximate percentage of total share capital[2]
Shandong High-Tech[3]	Domestic Shares	Beneficial owner	225,000,000	6.44%	4.83%
Lucion Venture Capital[3]	Domestic Shares	Interest in a controlled corporation	225,000,000	6.44%	4.83%

Name of Shareholder	Class of shares	Nature of interests[1]	Number of underlying shares held[2]	Approximate percentage of the class of underlying shares[2]	Approximate percentage of total share capital[2]
Lucion Group[3]	Domestic Shares	Beneficial owner	2,242,202,580	64.17%	48.13%
	Domestic Shares	Interest in a controlled corporation	225,000,000	6.44%	4.83%
Shandong Provincial Finance Bureau[4]	Domestic Shares	Interest in a controlled corporation	2,467,202,580	70.61%	52.96%
CNPC Assets Management Co., Ltd.[5]	Domestic Shares	Beneficial owner	873,528,750	25.00%	18.75%
CNPC Capital Company Limited[5]	Domestic Shares	Interest in a controlled corporation	873,528,750	25.00%	18.75%
CNPC Capital Joint Stock Company with Limited Liability[5]	Domestic Shares	Interest in a controlled corporation	873,528,750	25.00%	18.75%
China National Petroleum Corporation[5]	Domestic Shares	Interest in a controlled corporation	873,528,750	25.00%	18.75%
State-owned Assets Supervision and Administration Commission of Jinan Municipal People's Government[6]	H Shares	Interest in a controlled corporation	252,765,000	21.70%	5.43%
Jinan Finance Holding Group Co., Ltd.[6]	H Shares	Beneficial owner	252,765,000	21.70%	5.43%
Qingdao Global Wealth Center Development and Construction Co., Ltd.[7]	H Shares	Beneficial owner	232,920,000	19.99%	4.99%
Qingdao Laoshan District Finance Bureau[7]	H Shares	Interest in a controlled corporation	232,920,000	19.99%	4.99%
China Create Capital Limited	H Shares	Beneficial owner	64,737,000	10.00%	2.50%

Name of Shareholder	Class of shares	Nature of interests[1]	Number of underlying shares held[2]	Approximate percentage of the class of underlying shares[2]	Approximate percentage of total share capital[2]
Chang Xin Asset Management Co., Ltd.[8]	H Shares	Trustee	113,263,200	9.72%	2.43%
Shandong Development & Investment Holding Group Co., Ltd.	H Shares	Beneficial owner	51,272,000	7.92%	1.98%
HWABAO TRUST CO., LTD	H Shares	Trustee	35,974,000	5.59%	1.39%

Notes:

(1) All of the interests refer to long positions.

(2) The Company completed the issue of new Shares by way of the transfer of capital reserve to share capital in January 2019. Since the change in number of Shares arising from the capitalisation issue did not constitute reporting obligation pursuant to the Securities and Futures Ordinance, the forms of disclosure of interests of certain Shareholders disclosed on the website of the Hong Kong Stock Exchange do not reflect the impact of the capitalisation issue.

(3) Shandong High-Tech is a direct wholly-owned subsidiary of Lucion Venture Capital. Lucion Venture Capital is a non-wholly owned subsidiary owned as to 69.57% by Lucion Group and therefore is deemed to be interested in all of the shares of the Company held by Shandong High-Tech, and Lucion Group is deemed to be interested in all of the shares of the Company held indirectly by Lucion Venture Capital. Ms. Duan Xiaoxu, a non-executive Director, currently serves as chief financial officer of Lucion Venture Capital and a director of Shandong High-Tech.

(4) 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 Provincial Finance Bureau is therefore deemed to be interested in all of the shares of the Company directly and indirectly held by Lucion Group.

(5) CNPC Assets Management is a direct wholly-owned subsidiary of CNPC Capital Company Limited ("**CNPC Capital**") and CNPC Capital is wholly-owned by CNPC Capital Joint Stock Company with Limited Liability ("**CNPC Capital Joint Stock**"). CNPC Capital Joint Stock, which is an A share listed company, is held as to 77.35% by China National Petroleum Corporation (中國石油天然氣集團公司) (the "**CNPC**"). Each of CNPC Capital, CNPC Capital Joint Stock and CNPC are therefore deemed to be interested in all of the shares of the Company held by CNPC Assets Management. Mr. Chen Liuyi, a non-executive Director, currently serves as supervisor and the deputy chief economist of CNPC Capital Joint Stock.

(6) To the knowledge of the Company, Jinan Finance Holding Group Co., Ltd. has been renamed as Jinan Finance Investment Holding Group Co., Ltd., and it has been indirectly wholly-owned by Jinan Finance Bureau.

(7) To the knowledge of the Company, Qingdao Global Wealth Center Development and Construction Co., Ltd., which has been renamed as Qingdao Jinjialing Holding Group Co., Ltd., is wholly owned by Qingdao Laoshan District Finance Bureau and Qingdao Laoshan District Finance Bureau is therefore deemed to be interested in all of the shares of the Company held by Qingdao Global Wealth Center Development and Construction Co., Ltd.

(8) Chang Xin Asset Management Co., Ltd. holds the equity of the Company's shares as a trustee of the trust for the Chang Xin Fund – Dongfang No. 1 Single Asset Management Plan.

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, each of the controlling shareholders and the Directors confirms that he, she or it does not have any interest in a business, apart from the business of the Company, which competes or is likely to compete, directly or indirectly, with the Group's businesses, which would require disclosure under Rule 8.10 of the Listing Rules.

MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors and Supervisors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

According to the articles of association of the Company, the terms of service of both the Directors and the Supervisors are for three years, and all Directors and Supervisors are subject to re-appointment or re-election upon the expiry of their term. Each of the executive Directors, non-executive Directors, independent non-executive Directors and Supervisors has entered into a service contract with the Company for a term of three years. Save as disclosed above, none of the Directors or the Supervisors have entered into, or have proposed to enter into, a service contract with the Company (other than contracts determinable by the Company within one year without the payment of compensation (other than statutory compensation)).

INTERESTS IN CONTRACTS/ARRANGEMENTS OF DIRECTORS AND SUPERVISORS

Since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up) and up to the Latest Practicable Date, none of the Directors or the Supervisors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

None of the Directors and Supervisors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

EXPERTS AND CONSENTS

The qualifications of the experts who have given opinions or advice contained in this circular are as follows:

Name	Qualification
Lego Corporate Finance	a corporation licensed for carrying out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance
China United Assets Appraisal Group Shandong Co., Ltd. (中聯資產評估集團山東有限公司)	independent valuer

China United Assets Appraisal Group Shandong Co., Ltd. is an asset appraisal company with statutory practicing qualifications, registered in accordance with the *Asset Appraisal Law of the People's Republic of China, the Administrative Measures for Financial Supervision of the Asset Appraisal Industry (Ministry of Finance Order No. 86)* and other relevant regulations. The holding company of China United Assets Appraisal Group Shandong Co., Ltd. is China United Assets Appraisal Group Co., Ltd. Since 2023, China United Assets Appraisal Group Co., Ltd. has provided asset appraisal services for more than 200 A-share listed companies and over 20 H-share listed companies annually. China United Assets Appraisal Group Shandong Co., Ltd. and China United Assets Appraisal Group Co., Ltd. are independent third parties from the Company and its connected persons.

Each of Lego Corporate Finance and China United Assets Appraisal Group Shandong Co., Ltd. (collectively, the "**Experts**") has given and has not withdrawn its written consent to the issue of this circular with the inclusion of, where applicable, its letter(s) of advices and/or report(s) and/or references to its name in the form and context in which they respectively appear.

Each of the Experts was not beneficially interested in the share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group as at the Latest Practicable Date.

Since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up) and up to the Latest Practicable Date, none of the Experts had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

DOCUMENTS ON DISPLAY

Copies of the Transfer Agreements will be published on the websites of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.sitic.com.cn) for 14 days from the date of this circular.

The following is the valuation report of the Target Interests in Parent Fund issued by the independent valuer in respect of the valuation of Parent Fund as at 31 December 2024, for the purpose of, among other things, inclusion in this circular.

This asset valuation report is prepared in accordance with the PRC Standards for Asset Appraisal.

Partnership Equity Valuation Project for
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))
in Respect of
the Proposed Transfer by Shandong International Trust Co., Ltd.
(山東省國際信託股份有限公司)
of its Interest 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))

ASSET VALUATION REPORT

Zhong Lian Lu Ping Bao Zi [2025] No. 13163
(中聯魯評報字[2025]第13163號)

China United Assets Appraisal Group Shandong Co., Ltd.
(中聯資產評估集團山東有限公司)
22 May 2025

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DISCLAIMER

I. This asset valuation report is prepared in accordance with the Basic Rules for Asset Appraisal issued by the Ministry of Finance and the Asset Appraisal Practice Standards and the Professional Codes of Ethics issued by the China Appraisal Society.

II. The principal or other users of this asset valuation report shall use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use specified in the asset valuation report. The asset appraisal agency and its asset valuers take no liability in case of violation of the aforesaid provisions by the principal or other users of the asset valuation report in their use of the asset valuation report.

The asset valuation report is only intended to be used by the principal, other users of the asset valuation report as specified in the asset valuation engagement contract and users of the asset valuation report as stipulated by laws and administrative regulations. Save for the above, no other institution or individual shall be deemed as users of the asset valuation report.

The asset appraisal agency and its asset valuers remind users of the asset valuation report to correctly interpret and apply the valuation conclusion, which does not represent the realisable price of the valuation subject and may not be deemed as a guarantee for the realisable price of the valuation subject.

III. The truthfulness, legality and completeness of the information provided by the principal and other relevant parties are the prerequisite for the effectiveness of the valuation conclusion. The list of assets and liabilities within the scope of valuation, as well as the prospective financial information and ownership certificates required for the valuation were provided by the principal and the appraised entities and confirmed by seal or other means.

IV. The asset appraisal agency and its asset valuers have no existing or expected interest in the valuation subject in the asset valuation report, nor any existing or expected interest in any relevant parties, nor any bias in respect of the relevant parties.

V. The asset valuers have conducted on-site inspections on the valuation subject and the assets involved in the asset valuation report. The asset valuers have paid necessary attention to the legal ownership status of the valuation subject and the assets involved, verified the legal ownership information of the valuation subject and the assets involved, and truthfully disclosed the issues identified. In addition, the asset valuers have requested the principal and other relevant parties to ensure proper property rights filing to meet the requirements for issuing the asset valuation report.

VI. The analyses, judgements and results in the asset valuation report issued by the asset appraisal agency are subject to the assumptions and restrictions set out therein. Users of the asset valuation report shall fully consider the assumptions, restrictions and descriptions of specific issues set out in the asset valuation report and their impact on the valuation conclusion.

VII. The asset appraisal agency and its asset valuers are in compliance with the laws, administrative regulations and rules for asset appraisal with adherence to the principles of independence, objectivity and impartiality, and assume responsibility for the asset valuation report issued in accordance with the law.

Partnership Equity Valuation Project for
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ASSET VALUATION REPORT

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SUMMARY

China United Assets Appraisal Group Shandong Co., Ltd. (中聯資產評估集團山東有限公司) has been engaged by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) to appraise the market value of the partnership equity 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)) as at the valuation reference date in relation to the economic activity of proposed transfer by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) of its interest 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)).

The valuation subject is the corresponding partnership equity 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) and the scope of valuation covers all of its assets and liabilities as at the valuation reference date, mainly including current assets, long-term equity investments, other non-current financial assets and current liabilities.

The valuation reference date is 31 December 2024.

This valuation of partnership equity was conducted with the asset-based approach on the premises of open market in accordance with the laws and administrative regulations pertaining to asset valuation of China and requirements of the standards for asset appraisal, with adherence to the principle of independence, objectivity and impartiality, taking into consideration the actual situation of the asset to be appraised, relevant market transaction data and prevailing market price standard with reference to the historical cost record of the valuation subject. The outcome of the asset-based approach valuation was adopted as the valuation conclusion.

After implementation of valuation procedures such as checking and verification, on-site inspections, market researches, enquiries and assessments, it was concluded that the partnership equity under valuation had a carrying value as at the valuation reference date of 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%.

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.

Users of this valuation report are specifically reminded to pay attention to the special matters specified herein when using this report.

According to the laws and regulations pertaining to asset valuation, the use of asset valuation reports involving statutory valuation operations is subject to the completion of the required asset valuation supervisory and administrative procedures by the principal in accordance with relevant laws and regulations. The valuation outcome is valid for one year from 31 December 2024 to 30 December 2025.

The above is extracted from the full text of the asset valuation report. For details of this valuation and a proper insight of the valuation conclusion, please read through the full text of the asset valuation report.

Partnership Equity Valuation Project for
Shandong Lucion New and Old Kinetic Energy Conversion Venture Capital Parent Fund (Limited Partnership)
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in Respect of
the Proposed Transfer by Shandong International Trust Co., Ltd.
(山東省國際信託股份有限公司)
of its Interest 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))

ASSET VALUATION REPORT

Zhong Lian Lu Ping Bao Zi [2025] No. 13163
(中聯魯評報字[2025]第13163號)

Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司):

China United Assets Appraisal Group Shandong Co., Ltd. (中聯資產評估集團山東有限公司) has been engaged by the Company and assessed the market value of the partnership equity 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)) as at 31 December 2024 in relation to the economic activity of proposed transfer by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) of its interest 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)) with the asset-based approach and necessary valuation procedures in accordance with the requirements of laws, administrative regulations and standards for asset appraisal, with adherence to the principle of independence, objectivity and impartiality. The asset appraisal is reported as follows:

I. THE PRINCIPAL, APPRAISED ENTITY AND OTHER USERS OF THE VALUATION REPORT

(I) The principal

Company name: Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司)

Company address: Partial area of 1/F, 2/F and 13/F, 32-35/F and 40/F, Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC

Legal representative: Yue Zengguang

Registered capital: RMB4,658,850,000

Company type: joint stock company with limited liability (listed and state-holding)

Unified Social Credit Code: 9137000016304514XM

Date of establishment: 10 March 1987

Scope of business: Businesses as approved by the China Banking Regulatory Commission in accordance with the relevant laws, administrative regulations and other provisions. The scope of business shall be subject to those stated in the approval documents. (The validity period is subject to the relevant licence). (Businesses subject to approval in accordance with the law may only be carried out after obtaining the approval from the relevant authorities).

(II) The appraised entity

Company name: 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))

Company address: Unit 4539, Block M7, Huanghe Digital Economy Industrial Centre, Cuizhai Subdistrict, Xianxing District, Jinan, Shandong Province, the PRC

Partner for implementing partnership affairs: Shandong High-Tech Venture Capital Co., Ltd. (山東省高新技術創業投資有限公司)

Registered capital: RMB1,000,000,000

Type: limited partnership

Unified Social Credit Code: 91370100MA3NJFN55H

Date of establishment: 12 November 2018

Scope of business: Investment with proprietary funds (prohibited from undertaking financial businesses including acceptance of deposits, financing guarantee and financial management without approval from the financial regulatory authorities). (Businesses subject to approval in accordance with the law may only be carried out after obtaining the approval from the relevant authorities).

1. Entity Overview

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)) was established on 12 November 2018 with a registered capital of RMB1,000,000,000, which has been fully paid with return of capital. The equity structure as at the valuation reference date is set out below:

Names and Contribution Amounts and Ratios of Partners

Unit: RMB0'000

No.	Name of Partner	Subscribed Capital	Subscribed Ratio	Remaining Capital	Paid-up Ratio
1	Lucion Venture Capital Group Co., Ltd. (魯信創業投資集團股份有限公司)	47,000.00	47.00%	29,873.06	47.00%
2	Shandong New Kinetic Energy Fund Management Co., Ltd. (山東省新動能基金管理有限公司)	25,000.00	25.00%	15,899.93	25.00%
3	Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司)	18,200.00	18.20%	11,567.87	18.20%
4	Shandong Industrial Technology Research Institute Investment and Development Co., Ltd. (山東產業技術研究院投資發展有限公司)	7,400.00	7.40%	2,000.00	7.40%
5	Shandong High-Tech Venture Capital Co., Ltd. (山東省高新技術創業投資有限公司)	2,000.00	2.00%	4,703.42	2.00%
6	Liu Mengjie (劉夢傑)	400.00	0.40%	254.24	0.40%
	Total	100,000.00	100.00%	64,288.51	100.00%

2. Assets and Financial and Operating Status

According to the unqualified auditor's report of reference number XYZH/2025JNAA1B0077 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)), as at the valuation reference date of 31 December 2024, 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)) had total assets with a carrying value of RMB1,053,135,800, liabilities of RMB655,000 and net assets of RMB1,052,480,800. For 2024, the operating income was RMB-133,964,400, while the total profit was RMB-145,419,900 and net profit was RMB-145,419,900. The assets and financial position of the fund in the previous year and as at the valuation reference date were as follows:

Assets, Liabilities and Financial Position of the Fund

Unit: RMB0'000

Items	**31 December 2023**	**31 December 2024**
Total assets	148,700.45	105,313.58
Liabilities	0.00	65.50
Partnership equity	148,700.45	105,248.08
	2023	**2024**
Operating income	30,199.74	-13,396.44
Total profit	28,557.21	-14,541.99
Net profit	28,557.21	-14,541.99
Auditor	ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥))	
Ref. No. of Auditor's Report	XYZH/2025JNAA1B0077	

(III) Relation between the principal and appraised entity

The principal is Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) and the appraised entity is 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)). The principal intends to transfer the interest it holds in the appraised entity.

(IV) Users of this report

The users of this valuation report are the principal and other users of this report in accordance with the relevant provisions of the country's laws and regulations.

II. PURPOSE OF VALUATION

Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) intends to transfer its interest 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)), hence it is necessary to appraise the value of the corresponding portion of partnership equity 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)) involved, so as to provide a value reference for the relevant economic activity of Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司).

III. SUBJECT AND SCOPE OF VALUATION

(I) Subject and scope of valuation

The subject of valuation is the relevant portion of partnership interest. The scope of valuation covers all assets and liabilities 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)) as at the valuation reference date, comprising primarily current assets, long-term equity investments, other non-current financial assets and current liabilities. The carrying value of total assets was RMB1,053,135,800, that of liabilities was RMB655,000 and that of net assets was RMB1,052,480,800. These included current assets of RMB77,090,900, non-current assets of RMB976,044,900 and current liabilities of RMB655,000.

The above data regarding assets and liabilities was extracted from the unqualified auditor's report of reference number XYZH/2025JNAA1B0077 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)). The valuation was conducted based on the audited data of the enterprise.

The subject and scope of the valuation engagement were identical to those involved in the economic activity.

(II) Type, quantity and carrying value (or assessed value) of assets involved in the conclusion as quoted from reports issued by other institutions

The carrying values of various assets and liabilities as at the valuation reference date set out in this valuation report were extracted from the unqualified auditor's report of reference number XYZH/2025JNAA1B0077 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)). Apart from this, no information is quoted from reports of any other institutions.

The subject and scope of the valuation engagement were identical to those involved in the economic activity.

IV. VALUE TYPE

Based on the purpose of this valuation, the value type of this valuation is determined to be market value.

Market value refers to the estimated value amount of assets in an arm's length transaction on the valuation reference date between a willing buyer and a willing seller acting rationally and without compulsion.

V. VALUATION REFERENCE DATE

The valuation reference date with respect to this asset valuation is 31 December 2024.

This valuation reference date was determined by the principal on the basis of thorough communications with all involved intermediaries taking into comprehensive consideration factors such as the asset scale of the appraised entity, the workload involved, expected time required and compliance considerations.

VI. BASIS OF VALUATION

(I) Document in respect of the economic activity

Business Approval Form of Shandong International Trust Co., Ltd. (No. 20255367) (山東省國際信託股份有限公司業務審批表(編號:20255367)).

(II) Applicable laws and regulations

1. The Company Law of the People's Republic of China (as amended for the second time at the seventh meeting of the Standing Committee of the 14th National People's Congress on 29 December 2023) (《中華人民共和國公司法》(2023年12月29日第十四屆全國人民代表大會常務委員會第七次會議第二次修訂));

2. The Asset Appraisal Law of the People's Republic of China (as adopted at the 21st meeting of the Standing Committee of the 12th National People's Congress of the People's Republic of China on 2 July 2016) (《中華人民共和國資產評估法》(2016年7月2日第十二屆全國人民代表大會常務委員會第二十一次會議通過));

3. The Civil Code of the People's Republic of China (as adopted at the third meeting of the 13th National People's Congress on 28 May 2020) (《中華人民共和國民法典》(2020 年 5 月 28 日第十三屆全國人民代表大會第三次會議通過));

4. Interim Regulations for the Supervision and Administration of State-owned Assets of Enterprises (Order No. 378 of the State Council, 2003) (《企業國有資產監督管理暫行條例》(國務院第378 號令，2003));

5. Measures for the Administration of Assessment of State-owned Assets (as issued by Order No. 91 of the State Council on 16 November 1991 and amended by the Decision of the State Council Concerning Amendments to and Abolition of Certain Administrative Regulations (Order No. 732 of the State Council) on 29 November 2020) (《國有資產評估管理辦法》(1991年11月16日國務院令第91號發布，根據2020年11月29日《國務院關於修改和廢止部分行政法規的決定》(國務院令第732號)修訂));

6. Interim Measures for the Administration of Assessment of State-owned Assets of Enterprises (Order No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, 25 August 2005) (《企業國有資產評估管理暫行辦法》(國資委第12號令，2005年8月25日));

7. Measures for the Financial Supervision and Administration of the Asset Appraisal Industry (Order No. 86 of the Ministry of Finance of the People's Republic of China as considered and approved at its meeting on 21 April 2017) (《資產評估行業財政監督管理辦法》(2017年4月21日，中華人民共和國財政部令第86號，財政部部務會議審議通過));

8. Notice on Strengthening the Administration of Assessment of State-owned Assets of Enterprises (Guo Zi Wei Chan Quan [2006] No. 274) (《關於加強企業國有資產評估管理工作有關問題的通知》(國資委產權[2006]274號));

9. Notice on Review of Assessment Reports on State-owned Assets of Enterprises (Guo Zi Chan Quan [2009] No. 941) (《關於企業國有資產評估報告審核工作有關事項的通知》(國資產權[2009]941號));

10. Working Guidelines on Valuation Project Filing for State-owned Assets of Enterprises (Guo Zi Fa Chan Quan [2013] No. 64) (《企業國有資產評估項目備案工作指引》(國資發產權[2013]64號)); and

11. Other laws, regulations and rules pertaining to valuation.

(III) Applicable standards

1. Asset Appraisal Basic Standards (Cai Zi [2017] No. 43) (《資產評估基本準則》(財資[2017]43號));

2. Code of Ethics for Asset Appraisal (Zhong Ping Xie [2017] No. 30) (《資產評估職業道德準則》(中評協[2017]30號));

3. Asset Appraisal Practice Standards – Asset Valuation Engagement Contracts (Zhong Ping Xie [2017] No. 33) (《資產評估執業準則－資產評估委託合同》(中評協[2017]33號));

4. Guidelines on Valuation Reports on State-owned Assets of Enterprises (Zhong Ping Xie [2017] No. 42) (《企業國有資產評估報告指南》(中評協[2017]42號));

5. Guidelines on Valuation for Financial Reporting (Zhong Ping Xie [2017] No. 45) (《以財務報告為目的的評估指南》(中評協[2017]45號));

6. Guidelines on Business Quality Control for Asset Valuation Agencies (Zhong Ping Xie [2017] No. 46) (《資產評估機構業務質量控制指南》(中評協[2017]46 號));

7. Guiding Opinions on Types of Value under Asset Valuation (Zhong Ping Xie [2017] No. 47) (《資產評估價值類型指導意見》(中評協[2017]47號););

8. Guiding Opinions on Legal Ownership of the Subject of Asset Valuation (Zhong Ping Xie [2017] No. 48) (《資產評估對象法律權屬指導意見》(中評協[2017]48號));

9. Asset Appraisal Practice Standards – Asset Appraisal Reports (Zhong Ping Xie [2018] No. 35) (《資產評估執業準則－資產評估報告》(中評協[2018]35號);

10. Asset Appraisal Practice Standards – Asset Appraisal Procedures (Zhong Ping Xie [2018] No. 36) (《資產評估執業準則－資產評估程序》(中評協[2018]36號));

11. Asset Appraisal Practice Standards – Asset Appraisal Files (Zhong Ping Xie [2018] No. 37) (《資產評估執業準則－資產評估檔案》(中評協[2018]37號));

12. Asset Appraisal Practice Standards – Enterprise Value (Zhong Ping Xie [2018] No. 38) (《資產評估執業準則－企業價值》(中評協[2018]38號));

13. Asset Appraisal Practice Standards – Asset Appraisal Approaches (Zhong Ping Xie [2019] No. 35) (《資產評估執業準則－資產評估方法》(中評協[2019]35號)); and

14. Professional Guideline No. 8 for Asset Valuers – Verification in Asset Valuation (Zhong Ping Xie [2019] No. 39) (《資產評估專家指引第8號－資產評估中的核查驗證》(中評協[2019]39號)).

(IV) Basis of ownership

1. Investment agreement or proof; and

2. Other title certification documents.

(V) Pricing basis

1. Statistical, technical standard and pricing data released by the relevant authorities of the country and information on request for quotation and pricing parameters collected by the Company;

2. Statistics and analysis on the PRC macroeconomy, industries, regional markets and enterprises; and

3. Other reference information.

(VI) Other reference information

1. Enterprise Performance Evaluation Benchmarks 2024 (Bureau of Performance Evaluation and Remuneration of the State-owned Assets Supervision and Administration Commission of the State Council) (《企業績效評價標準值2024》(國務院國資委考核分配局編));

2. Tonghuashun iFinD financial information platform;

3. Accounting Standards for Enterprises (《企業會計準則》) and relevant regulations;

4. Investment Valuation (written by Damodanran [US], translated by Lin Qian [Canada], Tsinghua University Press, 2004);

5. Valuation: Measuring and Managing the Value of Companies (3rd Edition) (written by Copeland, T. et al. [US], translated by Hao Shaolun and Xie Guanping, Publishing House of Electronics Industry, 2002); and

6. Other reference information.

VII. 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).

(I) 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. For details of the valuation conclusion and valuation process, please refer to the relevant explanatory notes of the valuation.

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 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 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.

VIII. IMPLEMENTATION PROCESS AND STATUS OF VALUATION PROCEDURES

The valuation exercise was carried out in five stages:

(I) Valuation preparation stage

1. Agreement regarding issues such as the purpose of this valuation, valuation reference date and scope of valuation was reached with the appraised entity and the asset valuation work plan was formulated in mid-May 2025.

2. The appraised entity was facilitated in works such as conducting asset stocktaking and completing asset declaration and valuation schedules. Members of the valuation team conducted site visits to establish an initial understanding of the assets to be appraised, assisted the enterprise in completing relevant reporting procedures and collected documents and information required for the asset valuation.

(II) On-site assessment stage

On-site assessment by the valuation team was carried out between 15 May 2025 and 19 May 2025 and primarily involved the followings:

1. Receiving briefings from relevant personnel of the principal and the appraised entity regarding the overall situation of the enterprise and the history and current status of the assets to be appraised to understand the enterprise's financial system, operating status and other relevant matters.

2. Reviewing and verifying the asset declaration and valuation schedules provided by the enterprise, cross-checking these with relevant financial records, and working with the enterprise to make necessary adjustments to address identified issues.

3. Investigating and verifying the condition and composition of the operational assets of the appraised entity through site inspections, visits and thematic forums. In particular, detailed investigation was conducted regarding investment status and future operational outlook which could impact the assessed value, including a detailed review of relevant financial statements, ledgers and other financial information.

4. Engaging in discussions with the management and financial personnel of the enterprise to gain insights into the operating status of the enterprise. On the basis of asset verification and due diligence, further market research was conducted, including the collection of macro-level industry data related to the relevant business sector and financial and market information on comparable companies.

5. Examining and collecting ownership certificates of the assets to be appraised and verifying the ownership information provided by the enterprise.

6. Determining the specific valuation model and methodology based on the actual condition and characteristics of the assets to be appraised; conducting preliminary valuation assessments for the assets and liabilities within the scope of valuation upon completion of inspection and verification.

(III) Valuation consolidation stage

From 20 May 2025 to 22 May 2025, the preliminary outcome of valuation of various categories of assets and review of liabilities were analysed and consolidated. Necessary adjustments, modifications and refinements were made to the valuation outcome. Multiple rounds of revision and rectification were made to the valuation report repeatedly in accordance with the internal three-tier review system and procedures of the appraisal agency.

(IV) Report submission stage

On the basis of the aforementioned work, a preliminary asset valuation report was drafted. Upon initial internal review, opinions on the valuation outcome were exchanged with the principal. The feedback received was independently analysed and further revisions and adjustments were made in accordance with internal review system and procedures of the appraisal agency. Afterwards, the asset valuation report was formally issued.

(V) Compilation and archiving of valuation documentation

Within 90 days from the valuation report date, the working drafts, the asset valuation report and other relevant materials were compiled into an asset valuation archive.

IX. 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.

X. 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, we 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**

For detailed conclusion of the asset-based valuation, please refer to the detailed schedule of valuation.

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.

XI. NOTES ON SPECIAL MATTERS

(I) Pledges and guarantees

Nil.

(II) Uncertainties involving pending matters and legal disputes

Nil.

(III) Existence of incomplete or defective ownership information

Nil.

(IV) Restrictions encountered in the valuation process

Nil.

(V) Subsequent events

Nil.

(VI) Other explanatory matters

1. In the event that any changes in the quantity or pricing standard of assets occurred within the term of validity after the valuation reference date, the principles set out below shall be followed:

   (1) In the event that there is a change in the asset quantity, corresponding adjustments shall be made to the amount of assets according to the original valuation method;

   (2) In the event that the pricing standard of the assets changes and imposes obvious impact on the asset valuation outcome, the principal shall timely engage a qualified asset appraisal agency to redetermine the assessed value; and

(3) When determining the actual prices for the assets, the principal shall give due consideration to changes in the quantity and the pricing standard of the assets after the valuation reference date and make corresponding adjustments as appropriate.

2. This valuation represents a professional judgement of the value of the appraised assets. The valuation analysis and conclusion are intended solely for the purpose of filing and review by the relevant authority for property valuation and for reference by the principal in determining pricing. The scope of this valuation and the data, statements and relevant information used therein were provided by the principal and the appraised entity. The principal and the appraised entity bear full responsibility for the authenticity and completeness of the information they have supplied. The legal responsibility of the valuers and the appraisal agency is to provide a professional opinion on the value of the assets under the stated valuation purpose and does not extend to forming any opinion on the economic activity related to such purpose.

3. The ownership certificates and other relevant information referenced in this valuation report were provided by the principal and the appraised entity, who bear legal responsibility for their authenticity.

4. The valuation conclusion in this report reflects the prevailing market value of the assets as required by the stated valuation purpose on the premises of continued use and open market transaction. It did not take into account any potential future encumbrances such as pledges or guarantees, nor any price adjustments that may arise from special transaction arrangements. Also, the effects of changes in national macroeconomic policies, the force of nature and other force majeure on the price of assets were not taken into account.

5. The objective of the asset valuation by the valuers is to estimate and express a professional opinion on the value of the valuation subject. The valuers take no responsibility for any decisions made by any party concerned. The valuation conclusion may not be deemed as a guarantee of the realisable price of the subject.

XII. NOTES ON THE LIMITATION OF USE OF THE VALUATION REPORT

1. This valuation report may only be used according to the purposes as specified herein and may not be used for any other purposes.

2. This valuation report is intended solely for use by the designated users as specified herein. The appraisal agency takes no responsibility for any losses arising from the use of this report by any entity or individual other than the designated users as specified herein.

3. Except as required by applicable laws, regulations and matters as specified in the asset valuation engagement contract, no part of this valuation report may be reproduced, quoted or disclosed in any public media without the prior consent of the appraisal agency; the appraisal agency takes no responsibility for any legal consequences arising from any unauthorised reproduction, quotation or disclosure of this report in whole or in part.

4. Users of this asset valuation report shall correctly interpret and apply the valuation conclusion, which does not represent the realisable price of the valuation subject and may not be deemed as a guarantee for the realisable price of the valuation subject.

5. According to the laws and regulations pertaining to asset valuation, the use of asset valuation reports involving statutory valuation operations is subject to the completion of the required asset valuation supervisory and administrative procedures by the principal in accordance with relevant laws and regulations. The valuation outcome is valid for one year from 31 December 2024 to 30 December 2025.

XIII. ASSET VALUATION REPORT DATE

The asset valuation report date is 22 May 2025.

(no text on this page)

China United Assets Appraisal Group Shandong Co., Ltd.
(中聯資產評估集團山東有限公司)

Asset valuer: Zhou Changgang
(Registered Practicing Member of the China Appraisal Society, membership number: 37040017)

Asset valuer: Li Yanchao
(Registered Practicing Member of the China Appraisal Society, membership number: 37210449)

22 May 2025

The following is the valuation report of the Target Interests in Wanhe Fund issued by the independent valuer in respect of the valuation of Wanhe Fund as at 31 December 2024, for the purpose of, among other things, inclusion in this circular.

This asset valuation report is prepared in accordance with the PRC Standards for Asset Appraisal.

Partnership Equity Valuation Project for
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))
in Respect of
the Proposed Transfer by Shandong International Trust Co., Ltd.
(山東省國際信託股份有限公司)
of its Interest 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))

ASSET VALUATION REPORT

Zhong Lian Lu Ping Bao Zi [2025] No. 13164
(中聯魯評報字[2025]第13164號)

China United Assets Appraisal Group Shandong Co., Ltd.
(中聯資產評估集團山東有限公司)
22 May 2025

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DISCLAIMER

I. This asset valuation report is prepared in accordance with the Basic Rules for Asset Appraisal issued by the Ministry of Finance and the Asset Appraisal Practice Standards and the Professional Codes of Ethics issued by the China Appraisal Society.

II. The principal or other users of this asset valuation report shall use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use specified in the asset valuation report. The asset appraisal agency and its asset valuers take no liability in case of violation of the aforesaid provisions by the principal or other users of the asset valuation report in their use of the asset valuation report.

The asset valuation report is only intended to be used by the principal, other users of the asset valuation report as specified in the asset valuation engagement contract and users of the asset valuation report as stipulated by laws and administrative regulations. Save for the above, no other institution or individual shall be deemed as users of the asset valuation report.

The asset appraisal agency and its asset valuers remind users of the asset valuation report to correctly interpret and apply the valuation conclusion, which does not represent the realisable price of the valuation subject and may not be deemed as a guarantee for the realisable price of the valuation subject.

III. The truthfulness, legality and completeness of the information provided by the principal and other relevant parties are the prerequisite for the effectiveness of the valuation conclusion. The list of assets and liabilities within the scope of valuation, as well as the prospective financial information and ownership certificates required for the valuation were provided by the principal and the appraised entities and confirmed by seal or other means.

IV. The asset appraisal agency and its asset valuers have no existing or expected interest in the valuation subject in the asset valuation report, nor any existing or expected interest in any relevant parties, nor any bias in respect of the relevant parties.

V. The asset valuers have conducted on-site inspections on the valuation subject and the assets involved in the asset valuation report. The asset valuers have paid necessary attention to the legal ownership status of the valuation subject and the assets involved, verified the legal ownership information of the valuation subject and the assets involved, and truthfully disclosed the issues identified. In addition, the asset valuers have requested the principal and other relevant parties to ensure proper property rights filing to meet the requirements for issuing the asset valuation report.

VI. The analyses, judgements and results in the asset valuation report issued by the asset appraisal agency are subject to the assumptions and restrictions set out therein. Users of the asset valuation report shall fully consider the assumptions, restrictions and descriptions of specific issues set out in the asset valuation report and their impact on the valuation conclusion.

VII. The asset appraisal agency and its asset valuers are in compliance with the laws, administrative regulations and rules for asset appraisal with adherence to the principles of independence, objectivity and impartiality, and assume responsibility for the asset valuation report issued in accordance with the law.

Partnership Equity Valuation Project for
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))
in Respect of
the Proposed Transfer by Shandong International Trust Co., Ltd.
(山東省國際信託股份有限公司)
of its Interest 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))

ASSET VALUATION REPORT

Zhong Lian Lu Ping Bao Zi [2025] No. 13164
(中聯魯評報字[2025]第13164號)

SUMMARY

China United Assets Appraisal Group Shandong Co., Ltd. (中聯資產評估集團山東有限公司) has been engaged by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) to appraise the market value of the partnership equity 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)) as at the valuation reference date in relation to the economic activity of proposed transfer by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) of its interest 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)).

The valuation subject is the corresponding partnership equity 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)) and the scope of valuation covers all of its assets and liabilities as at the valuation reference date, mainly including current assets and other non-current financial assets.

The valuation reference date is 31 December 2024.

This valuation of partnership equity was conducted with the asset-based approach on the premises of continuous use and open market in accordance with the laws and administrative regulations pertaining to asset valuation of China and requirements of the standards for asset appraisal, with adherence to the principle of independence, objectivity and impartiality, taking

into consideration the actual situation of the asset to be appraised, relevant market transaction data and prevailing market price standard with reference to the historical cost record of the valuation subject. The outcome of the asset-based approach valuation was adopted as the valuation conclusion.

After implementation of valuation procedures such as checking and verification, on-site inspections, market researches and assessments, it was concluded that the partnership equity under valuation had a carrying value as at the valuation reference date of 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%.

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.

Users of this valuation report are specifically reminded to pay attention to the special matters specified herein when using this report.

According to the laws and regulations pertaining to asset valuation, the use of asset valuation reports involving statutory valuation operations is subject to the completion of the required asset valuation supervisory and administrative procedures by the principal in accordance with relevant laws and regulations. The valuation outcome is valid for one year from 31 December 2024 to 30 December 2025.

The above is extracted from the full text of the asset valuation report. For details of this valuation and a proper insight of the valuation conclusion, please read through the full text of the asset valuation report.

Partnership Equity Valuation Project for
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))
in Respect of
the Proposed Transfer by Shandong International Trust Co., Ltd.
(山東省國際信託股份有限公司)
of its Interest 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))

ASSET VALUATION REPORT

Zhong Lian Lu Ping Bao Zi [2025] No. 13164
(中聯魯評報字[2025]第13164號)

Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司):

China United Assets Appraisal Group Shandong Co., Ltd. (中聯資產評估集團山東有限公司) has been engaged by the Company and assessed the market value of the partnership equity 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)) as at 31 December 2024 in relation to the economic activity of proposed transfer by Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) of its interest 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)) with the asset-based approach and necessary valuation procedures in accordance with the requirements of laws, administrative regulations and standards for asset appraisal, with adherence to the principle of independence, objectivity and impartiality. The asset appraisal is reported as follows:

I. THE PRINCIPAL, APPRAISED ENTITY AND OTHER USERS OF THE VALUATION REPORT

(I) The principal

Company name: Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司)

Company address: Partial area of 1/F, 2/F and 13/F, 32-35/F and 40/F, Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC

Legal representative: Yue Zengguang

Registered capital: RMB4,658,850,000

Company type: joint stock company with limited liability (listed and state-holding)

Unified Social Credit Code: 9137000016304514XM

Date of establishment: 10 March 1987

Scope of business: Businesses as approved by the China Banking Regulatory Commission in accordance with the relevant laws, administrative regulations and other provisions. The scope of business shall be subject to those stated in the approval documents. (The validity period is subject to the relevant licence). (Businesses subject to approval in accordance with the law may only be carried out after obtaining the approval from the relevant authorities).

(II) The appraised entity

Company name: 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))

Company address: Room 584, Fund Building E1, Phase II, Innovation Industrial Park, No. 2800 Innovation Avenue, High-Tech Zone, Hefei, Anhui Province, the PRC

Partner for implementing partnership affairs: Anhui Lucion Private Equity Investment Fund Management Co., Ltd. (安徽魯信私募股權投資基金管理有限公司)

Registered capital: RMB500,000,000

Type: limited partnership

Unified Social Credit Code: 91340100MA2UDH1K5T

Date of establishment: 13 December 2019

Scope of business: Equity investment; investment advisory services; investment consulting and investment management services; financial advisory services (prohibited from undertaking financial businesses including acceptance of deposits, financing guarantee and financial management without approval from the financial regulatory authorities). (Businesses subject to approval in accordance with the law may only be carried out after obtaining the approval from the relevant authorities).

1. Entity Overview

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)) was established on 13 December 2019 with a registered capital of RMB500,000,000, which has been fully paid with return of capital. The equity structure as at the valuation reference date is set out below:

Names and Contribution Amounts and Ratios of Shareholders

Unit: RMB0'000

No.	Name of Shareholder	Subscripted Capital	Subscribed Ratio	Remaining Capital	Paid-up Ratio
1	Anhui Lucion Private Equity Investment Fund Management Co., Ltd. (安徽魯信私募股權投資基金管理有限公司)	500.00	1.00%	390.00	1.00%
2	Shandong High-Tech Venture Capital Co., Ltd. (山東省高新技術創業投資有限公司)	12,500.00	25.00%	9,750.00	25.00%
3	Hefei Industry Investment Guidance Fund Co., Ltd. (合肥市產業投資引導基金有限公司)	12,000.00	24.00%	9,360.00	24.00%
4	Zhitong Capital Holdings (Shandong) Co., Ltd. (致同資本控股(山東)有限公司)	6,000.00	12.00%	4,680.00	12.00%
5	Anhui Ancheng Chinese Medicine Health Industry Development Fund Co., Ltd. (安徽安誠中醫藥健康產業發展基金有限公司)	5,000.00	10.00%	3,900.00	10.00%
6	Xuancheng High-tech Investment Development Group Co., Ltd. (宣城高新投資發展有限公司)	5,000.00	10.00%	3,900.00	10.00%
7	Anhui Lucion Investment Company Limited (安徽魯信投資有限公司)	5,000.00	10.00%	3,900.00	10.00%
8	Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司)	4,000.00	8.00%	3,120.00	8.00%
	Total	50,000.00	100.00%	39,000.00	100.00%

2. Primary Operating Results

According to the audited financial reports of the appraised entity, as at the valuation reference date, 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)) had total assets with a carrying value of RMB463,006,400, liabilities of RMB0 and net assets of RMB463,006,400. For December 2024, the operating income was RMB-44,435,300, while the total profit was RMB-52,192,000 and net profit was RMB-52,192,000. The assets and financial position of the fund in the previous year and as at the valuation reference date were as follows:

Assets, Liabilities and Financial Position of the Fund

Unit: RMB0'000

Items	**31 December 2024**	**31 December 2023**
Total assets	46,300.64	59,521.40
Liabilities	–	1.56
Net assets	46,300.64	59,519.84
	2024	**2023**
Operating income	-4,443.53	9,757.70
Total profit	-5,219.20	8,781.05
Net profit	-5,219.20	8,781.05
Auditor	ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥))	

The above data was adopted from the unqualified auditor's report of reference number XYZH/2025JNAA1B0051 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)).

(III) Relation between the principal and appraised entity

The principal is Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) and the appraised entity is 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)). The principal is one of the partners of the appraised entity.

(IV) Users of this report

The users of this valuation report are the principal and other users of this report in accordance with the relevant provisions of the country's laws and regulations.

II. PURPOSE OF VALUATION

Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司) intends to transfer its interest 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)), hence it is necessary to appraise the value of the corresponding portion of partnership equity 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)) involved, so as to provide a value reference for the relevant economic activity of Shandong International Trust Co., Ltd. (山東省國際信託股份有限公司).

III. SUBJECT AND SCOPE OF VALUATION

(I) Subject and scope of valuation

The subject of valuation is the relevant portion of partnership interest 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)). The scope of valuation covers all assets and liabilities 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)) as at the valuation reference date. The carrying value of its total assets was RMB463,006,400, that of liabilities was RMB0 and that of net assets was RMB463,006,400. These included current assets of RMB80,357,700 and non-current assets of RMB382,648,600.

The above data regarding assets and liabilities was extracted from the unqualified auditor's report of reference number XYZH/2025JNAA1B0051 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)). The valuation was conducted based on the audited data of the enterprise.

The subject and scope of the valuation engagement were identical to those involved in the economic activity.

(II) Distribution and characteristics of real estates

No real estate was involved in this valuation engagement.

(III) Status of intangible assets recorded or unrecorded in the accounts submitted by the enterprise

As at the valuation reference date, the appraised entity had no recorded or unrecorded intangible assets.

(IV) Type and quantity of off-balance sheet assets declared in the submissions of the enterprise

As at the valuation reference date, there was no off-balance sheet intangible assets in the submissions of the enterprise.

(V) Type, quantity and carrying value (or assessed value) of assets involved in the conclusion as quoted from reports issued by other institutions

The carrying values of various assets and liabilities as at the valuation reference date set out in this valuation report were extracted from the unqualified auditor's report of reference number XYZH/2025JNAA1B0051 issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)). Apart from this, no information is quoted from reports of any other institutions.

The subject and scope of the valuation engagement were identical to those involved in the economic activity.

IV. VALUE TYPE

Based on the purpose of this valuation, the value type of this valuation is determined to be market value.

Market value refers to the estimated value amount of assets in an arm's length transaction on the valuation reference date between a willing buyer and a willing seller acting rationally and without compulsion.

V. VALUATION REFERENCE DATE

The valuation reference date with respect to this asset valuation is 31 December 2024.

This valuation reference date was determined by the principal on the basis of thorough communications with all involved intermediaries taking into comprehensive consideration factors such as the asset scale of the appraised entity, the workload involved, expected time required and compliance considerations.

VI. BASIS OF VALUATION

(I) Document in respect of the economic activity

Business Approval Form of Shandong International Trust Co., Ltd. (No. 20255367) (山東省國際信託股份有限公司業務審批表(編號:20255367)).

(II) Applicable laws and regulations

1. The Asset Appraisal Law of the People's Republic of China (Order No. 46 of the President of the 12th National People's Congress of the People's Republic of China [2016]) (《中華人民共和國資產評估法》主席令12屆第46號，[2016]);

2. The Company Law of the People's Republic of China (as amended for the second time at the seventh meeting of the Standing Committee of the 14th National People's Congress on 29 December 2023) (《中華人民共和國公司法》(2023年12月29日第十四屆全國人民代表大會常務委員會第七次會議第二次修訂));

3. The Civil Code of the People's Republic of China (as adopted at the third meeting of the 13th National People's Congress on 28 May 2020) (《中華人民共和國民法典》(2020年5月28日第十三屆全國人民代表大會第三次會議通過));

4. Interim Regulations for the Supervision and Administration of State-owned Assets of Enterprises (No. 709 of the State Council, 2019) (《企業國有資產監督管理暫行條例》(國務院第709號，2019));

5. Measures for the Supervision and Administration of Transactions of State-owned Assets (Order No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and Ministry of Finance, 2016) (《企業國有資產交易監督管理辦法》(國資委、財政部令第32號，2016));

6. Measures for the Administration of Assessment of State-owned Assets of Enterprises (Order No. 732 of the State Council, 29 November 2020) (《國有資產評估管理辦法》(國務院令第732號，2020年11月29日));

7. Interim Measures for the Administration of Assessment of State-owned Assets of Enterprises (Order No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, 25 August 2005) (《企業國有資產評估管理暫行辦法》(國資委第12號令，2005年8月25日));

8. Notice on Strengthening the Administration of Assessment of State-owned Assets of Enterprises (Guo Zi Wei Chan Quan [2006] No. 274) (《關於加強企業國有資產評估管理工作有關問題的通知》(國資委產權[2006]274號));

9. Notice on Review of Assessment Reports on State-owned Assets of Enterprises (Guo Zi Chan Quan [2009] No. 941) (《關於企業國有資產評估報告審核工作有關事項的通知》(國資產權[2009]941號));

10. Working Guidelines on Valuation Project Filing for State-owned Assets of Enterprises (Guo Zi Fa Chan Quan [2013] No. 64) (《企業國有資產評估項目備案工作指引》(國資發產權[2013]64號));

11. Notice on the Nationwide Implementation of Pilot Programme for Replacing Business Tax with Value-added Tax (Cai Shui [2016] No. 36) (《關於全面推開營業税改徵增值税試點的通知》(財税[2016]36號));

12. Notice on Adjustments to Value-added Tax Rate (Cai Shui [2018] No. 32) (《關於調整增值税税率的通知》(財税[2018]32號));

13. Announcement on Policies for Deepening Value-added Tax Reform (Announcement No. 39 in 2019 of the Ministry of Finance, State Taxation Administration and the General Administration of Customs on 20 March 2019) (《關於深化增值税改革有關政策的公告》(2019年3月20日財政部、税務總局、海關總署公告2019年第39號)); and

14. Other laws, regulations and rules pertaining to valuation.

(III) Applicable standards

1. Asset Appraisal Basic Standards (Cai Zi [2017] No. 43) (《資產評估基本準則》(財資[2017]43號));

2. Code of Ethics for Asset Appraisal (Zhong Ping Xie [2017] No. 30) (《資產評估職業道德準則》(中評協[2017]30號));

3. Asset Appraisal Practice Standards – Asset Appraisal Procedures (Zhong Ping Xie [2018] No. 36) (《資產評估執業準則－資產評估程序》(中評協[2018]36號));

4. Asset Appraisal Practice Standards – Asset Appraisal Reports (Zhong Ping Xie [2018] No. 35) (《資產評估執業準則－資產評估報告》(中評協[2018]35 號);

5. Asset Appraisal Practice Standards – Asset Appraisal Approaches (Zhong Ping Xie [2019] No. 35) (《資產評估執業準則－資產評估方法》(中評協[2019]35號));

6. Asset Appraisal Practice Standards – Asset Valuation Engagement Contracts (Zhong Ping Xie [2017] No. 33) (《資產評估執業準則－資產評估委託合同》(中評協[2017]33號));

7. Asset Appraisal Practice Standards – Asset Appraisal Files (Zhong Ping Xie [2018] No. 37) (《資產評估執業準則－資產評估檔案》(中評協[2018]37號));

8. Asset Appraisal Practice Standards – Reliance on the Work and Reports of Experts (Zhong Ping Xie [2017] No. 35) (《《資產評估執業準則－利用專家工作及相關報告》(中評協[2017]35號)》;

9. Asset Appraisal Practice Standards – Enterprise Value (Zhong Ping Xie [2018] No. 38) (《資產評估執業準則－企業價值》(中評協[2018]38號));

10. Guidelines on Valuation Reports on State-owned Assets of Enterprises (Zhong Ping Xie [2017] No. 42) (《企業國有資產評估報告指南》(中評協[2017]42號));

11. Guidelines on Business Quality Control for Asset Valuation Agencies (Zhong Ping Xie [2017] No. 46) (《資產評估機構業務質量控制指南》(中評協[2017]46號));

12. Guiding Opinions on Types of Value under Asset Valuation (Zhong Ping Xie [2017] No. 47) (《資產評估價值類型指導意見》(中評協[2017]47號););

13. Guiding Opinions on Legal Ownership of the Subject of Asset Valuation (Zhong Ping Xie [2017] No. 48) (《資產評估對象法律權屬指導意見》(中評協[2017]48號)); and

14. Professional Guideline No. 8 for Asset Valuers – Verification in Asset Valuation (Zhong Ping Xie [2019] No. 39) (《資產評估專家指引第8號－資產評估中的核查驗證》(中評協[2019]39號));

(IV) Basis of ownership

1. Investment agreement or proof; and

2. Other title certification documents.

(V) Pricing basis

1. Statistical, technical standard and pricing data released by the relevant authorities of the country and information on request for quotation and pricing parameters collected by the Company; and

2. Other reference information.

(VI) Other reference information

1. Enterprise Performance Evaluation Benchmarks 2024 (Bureau of Performance Evaluation and Remuneration of the State-owned Assets Supervision and Administration Commission of the State Council) (《企業績效評價標準值2024》(國務院國資委考核分配局編));

2. Tonghuashun iFinD financial information platform;

3. Accounting Standards for Enterprises (《企業會計準則》) and relevant regulations;

4. Investment Valuation (written by Damodanran [US], translated by Lin Qian [Canada], Tsinghua University Press, 2004);

5. Valuation: Measuring and Managing the Value of Companies (3rd Edition) (written by Copeland, T. et al. [US], translated by Hao Shaolun and Xie Guanping, Publishing House of Electronics Industry, 2002); and

6. Other reference information.

VII. 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.

(I) 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 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 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.

VIII. IMPLEMENTATION PROCESS AND STATUS OF VALUATION PROCEDURES

The valuation exercise was carried out in five stages:

(I) Valuation preparation stage

1. Agreement regarding issues such as the purpose of this valuation, valuation reference date and scope of valuation was reached with the appraised entity and the asset valuation work plan was formulated in mid-May 2025.

2. The appraised entity was facilitated in works such as conducting asset stocktaking and completing asset declaration and valuation schedules. Members of the valuation team conducted site visits to establish an initial understanding of the assets to be appraised, assisted the enterprise in completing relevant reporting procedures and collected documents and information required for the asset valuation.

(II) On-site assessment stage

On-site assessment by the valuation team was carried out between 15 May 2025 and 19 May 2025 and primarily involved the followings:

1. Receiving briefings from relevant personnel of the principal and the appraised entity regarding the overall situation of the enterprise and the history and current status of the assets to be appraised to understand the enterprise's financial system, operating status and other relevant matters.

2. Reviewing and verifying the asset declaration and valuation schedules provided by the enterprise, cross-checking these with relevant financial records, and working with the enterprise to make necessary adjustments to address identified issues.

3. Investigating and verifying the condition and composition of the operational assets of the appraised entity through site inspections, visits and thematic forums. In particular, detailed investigation was conducted regarding investment status and future operational outlook which could impact the assessed value, including a detailed review of relevant financial statements, ledgers and other financial information.

4. Engaging in discussions with the management and financial personnel of the enterprise to gain insights into the operating status of the enterprise. On the basis of asset verification and due diligence, further market research was conducted, including the collection of macro-level industry data related to the relevant business sector and financial and market information on comparable companies

5. Examining and collecting ownership certificates of the assets to be appraised and verifying the ownership information provided by the enterprise.

6. Determining the specific valuation model and methodology based on the actual condition and characteristics of the assets to be appraised; conducting preliminary valuation assessments for the assets and liabilities within the scope of valuation upon completion of inspection and verification.

(III) Valuation consolidation stage

From 20 May 2025 to 22 May 2025, the preliminary outcome of valuation of various categories of assets and review of liabilities were analysed and consolidated. Necessary adjustments, modifications and refinements were made to the valuation outcome. Multiple rounds of revision and rectification were made to the valuation report repeatedly in accordance with the internal three-tier review system and procedures of the appraisal agency.

(IV) Report submission stage

On the basis of the aforementioned work, a preliminary asset valuation report was drafted. Upon initial internal review, opinions on the valuation outcome were exchanged with the principal. The feedback received was independently analysed and further revisions and adjustments were made in accordance with internal review system and procedures of the appraisal agency. Afterwards, the asset valuation report was formally issued.

(V) Compilation and archiving of valuation documentation

Within 90 days from the valuation report date, the working drafts, the asset valuation report and other relevant materials were compiled into an asset valuation archive.

IX. 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.

X. 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, we 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**

For detailed conclusion of the asset-based valuation, please refer to the detailed schedule of valuation.

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.

XI. NOTES ON SPECIAL MATTERS

(I) Pledges and guarantees

Nil.

(II) Uncertainties involving pending matters and legal disputes

Nil.

(III) Existence of incomplete or defective ownership information

Nil.

(IV) Restrictions encountered in the valuation process

Nil.

(V) Subsequent events

Nil.

(VI) Other explanatory matters

1. In the event that any changes in the quantity or pricing standard of assets occurred within the term of validity after the valuation reference date, the principles set out below shall be followed:

   (1) In the event that there is a change in the asset quantity, corresponding adjustments shall be made to the amount of assets according to the original valuation method;

(2) In the event that the pricing standard of the assets changes and imposes obvious impact on the asset valuation outcome, the principal shall timely engage a qualified asset appraisal agency to redetermine the assessed value; and

(3) When determining the actual prices for the assets, the principal shall give due consideration to changes in the quantity and the pricing standard of the assets after the valuation reference date and make corresponding adjustments as appropriate.

2. This valuation represents a professional judgement of the value of the appraised assets. The valuation analysis and conclusion are intended solely for the purpose of filing and review by the relevant authority for property valuation and for reference by the principal in determining pricing. The scope of this valuation and the data, statements and relevant information used therein were provided by the principal and the appraised entity. The principal and the appraised entity bear full responsibility for the authenticity and completeness of the information they have supplied. The legal responsibility of the valuers and the appraisal agency is confined to providing a professional opinion on the value of the assets under the stated valuation purpose and does not extend to forming any opinion on the economic activity related to such purpose.

3. The ownership certificates and other relevant information referenced in this valuation report were provided by the principal and the appraised entity, who bear legal responsibility for their authenticity.

4. The valuation conclusion in this report reflects the prevailing market value of the assets as required by the stated valuation purpose on the premises of continued use and open market transaction. It did not take into account any potential future encumbrances such as pledges or guarantees, nor any price adjustments that may arise from special transaction arrangements. Also, the effects of changes in national macroeconomic policies, the force of nature and other force majeure on the price of assets were not taken into account.

5. The objective of the asset valuation by the valuers is to estimate and express a professional opinion on the value of the valuation subject. The valuers take no responsibility for any decisions made by any party concerned. The valuation conclusion may not be deemed as a guarantee of the realisable price of the subject.

XII. NOTES ON THE LIMITATION OF USE OF THE VALUATION REPORT

1. This valuation report may only be used according to the purposes as specified herein and may not be used for any other purposes.

2. This valuation report is intended solely for use by the designated users as specified herein. The appraisal agency takes no responsibility for any losses arising from the use of this report by any entity or individual other than the designated users as specified herein.

3. Except as required by applicable laws, regulations and matters as specified in the asset valuation engagement contract, no part of this valuation report may be reproduced, quoted or disclosed in any public media without the prior consent of the appraisal agency; the appraisal agency takes no responsibility for any legal consequences arising from any unauthorised reproduction, quotation or disclosure of this report in whole or in part.

4. Users of this asset valuation report shall correctly interpret and apply the valuation conclusion, which does not represent the realisable price of the valuation subject and may not be deemed as a guarantee for the realisable price of the valuation subject.

5. According to the laws and regulations pertaining to asset valuation, the use of asset valuation reports involving statutory valuation operations is subject to the completion of the required asset valuation supervisory and administrative procedures by the principal in accordance with relevant laws and regulations. The valuation outcome is valid for one year from 31 December 2024 to 30 December 2025.

XIII. ASSET VALUATION REPORT DATE

The asset valuation report date is 22 May 2025.

(no text on this page)

China United Assets Appraisal Group Shandong Co., Ltd.
(中聯資產評估集團山東有限公司)

Asset valuer: Zhou Changgang
(Registered Practicing Member of the China Appraisal Society, membership number: 37040017)

Asset valuer: Li Yanchao
(Registered Practicing Member of the China Appraisal Society, membership number: 37210449)

22 May 2025

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)

NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the second extraordinary general meeting of Shandong International Trust Co., Ltd. (the "**Company**") for the year 2025 (the "**EGM**") will be held at Tower A, No. 2788 Aoti West Road, Lixia District, Jinan, Shandong Province, the PRC on Friday, 7 November 2025 at 3:00 p.m. to consider and, if thought fit, to pass the following resolutions. Unless the content otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company date 21 October 2025.

ORDINARY RESOLUTIONS

(1) To consider and approve the transfer of the Target Interests in Parent Fund and the Parent Fund Transfer Agreement; and

(2) To consider and approve the transfer of the Target Interests in Wanhe Fund and the Wanhe Fund Transfer Agreement.

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

Jinan, the People's Republic of China
21 October 2025

Notes:

1. The holders of H Shares and Domestic Shares whose names appear on the registers of the members of the Company on Friday, 7 November 2025 are entitled to attend and vote at the EGM. The registers of members of the Company will be closed from Tuesday, 4 November 2025 to Friday, 7 November 2025, both days inclusive, during which no transfer of Shares can be registered. All transfer documents together with the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) or the Office of the Board of Directors of the Company (for holders of Domestic Shares) not later than 4:30 p.m. on Monday, 3 November 2025.

2. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote at the meeting on his/her behalf. A proxy needs not be a Shareholder.

3. A proxy shall be appointed by an instrument in writing (including the proxy form). Such instrument shall be signed by the appointor or his/her attorney duly authorised in writing. If the appointor is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company's H share registrar (for holders of H Shares) or at the Office of the Board of the Directors of the Company (for holders of Domestic Shares) not less than 24 hours before the time appointed for holding the EGM or any adjourned meeting (i.e. by 3:00 p.m. on Thursday, 6 November 2025). If the instrument appointing the proxy is signed by a person authorised by the appointor, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H share registrar or the Office of the Board of Directors of the Company (as may be applicable).

4. Shareholders or their proxies are required to produce their identification documents when attending the EGM.

5. Miscellaneous

   i. It is expected that the EGM will last for half a day. All attending Shareholders shall arrange for their transportation and accommodation and shall bear all their own expenses in connection with their attendance.

   ii. Details on the abovementioned resolutions to be considered and approved at the EGM are set out in the circular of the Company in respect of the EGM dated 21 October 2025.

   iii. The address of Computershare Hong Kong Investor Services Limited is:

   17M Floor, Hopewell Centre
   183 Queen's Road East
   Wan Chai, Hong Kong
   Tel: (852) 2862 8555
   Fax: (852) 2865 0990

   iv. The address of the Office of the Board of Directors of the Company is:

   35/F, Tower A, No. 2788 Aoti West Road
   Lixia District, Jinan
   Shandong Province, the PRC
   Tel: +86 (531) 5175 7480
   Fax: +86 (531) 5175 7480

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