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*(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)*  
**Stock Codes: 3690 (HKD counter) and 83690 (RMB counter)**

**DISCLOSEABLE TRANSACTION  
ACQUISITION OF ALL ISSUED SHARES OF  
DINGDONG FRESH HOLDING LIMITED**

**ACQUISITION**

The Board is pleased to announce that, on February 5, 2026 (non-trading hours), the Acquirer, the Transferor and Mr. Liang Changlin entered into the Share Transfer Agreement, pursuant to which, among others, the Acquirer agreed to acquire, and the Transferor agreed to sell, all issued shares of the Target Company held by the Transferor at an initial consideration of US\$717 million (subject to adjustment), provided that Target Group's net cash shall remain no less than US\$150 million upon the Transferor withdraws funds from the Target Group not exceeding US\$280 million.

Dingdong is a leading fresh grocery e-commerce company in the mainland China, founded and controlled by Mr. Liang Changlin, and the Target Company is a direct wholly-owned subsidiary of Dingdong. Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company, and the financial results of the Target Group will be consolidated into the financial statements of the Group.

**Implications under the Listing Rules**

As the highest applicable percentage ratio in respect of the Acquisition (as calculated under Rule 14.07 of the Listing Rules) exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules, but is exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## INTRODUCTION

The Board is pleased to announce that, on February 5, 2026 (non-trading hours), the Acquirer, the Transferor and Mr. Liang Changlin entered into the Share Transfer Agreement, pursuant to which, among others, the Acquirer agreed to acquire, and the Transferor agreed to sell, all issued shares of the Target Company held by the Transferor at an initial consideration of US\$717 million (subject to adjustment), provided that Target Group's net cash shall remain no less than US\$150 million upon the Transferor withdraws funds from the Target Group not exceeding US\$280 million.

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## SHARE TRANSFER AGREEMENT

The principal terms of the Share Transfer Agreement are set out below:

<b>Date</b>	February 5, 2026 (non-trading hours)
<b>Parties</b>	(a) Transferor; (b) Acquirer; and (c) Founder of Transferor.
<b>Subject matter</b>	The Acquirer agreed to acquire, and the Transferor agreed to sell, all issued shares of the Target Company held by the Transferor.
<b>Consideration</b>	<p>The initial consideration for the Acquisition is US\$717 million, subject to agreed adjustments based on the net cash, net working capital, and other financial items set out in the Target Group's audited financial statements as at agreed dates (the "<b>Share Transfer Consideration</b>").</p> <p>The Transferor shall have the right, on or before August 31, 2026, to withdraw funds totaling no more than US\$280 million from the Target Group to the Non-Target Group Dingdong Entity (the "<b>Funds Withdrawal</b>"). Following any Funds Withdrawal, the Target Group's net cash shall remain no less than US\$150 million.</p>

## Conditions precedent

The conditions precedent for the Acquirer to fulfill the closing obligations primarily include:

- (i) the guarantee of the Transferor shall be true, accurate, and not misleading in all material respects as at the Closing Date, and shall not omit any material facts necessary;
- (ii) the Transferor and the Target Group have obtained all necessary resolutions from general meetings, the Board, and others required for the Transaction;
- (iii) no material adverse change has occurred;
- (iv) the Transferor has completed all tax filings related to the Transaction;
- (v) the Transaction has passed the merger control filing review by the national market regulatory authorities (“**Anti-Monopoly Review**”);
- (vi) the Acquirer has properly completed the filing with the National Development and Reform Commission related to the Transaction; and
- (vii) completion of the divestiture of the relevant overseas businesses.

The conditions precedent for the Transferor to fulfill the closing obligations primarily include:

- (i) the guarantee of the Acquirer shall be true, accurate, and not misleading in all material respects as at the Closing Date, and shall not omit any material facts necessary; and
- (ii) the Transaction has passed the Anti-Monopoly Review.

All parties shall make commercially reasonable efforts and take all necessary and reasonable actions to facilitate the fulfillment of the closing conditions precedent as soon as possible, and in any event no later than the Long-Stop Date.

**Closing and payment**

The closing of the Acquisition shall take place on a date which is within ten (10) working days after the date on which all conditions precedent are satisfied or appropriately waived by the relevant parties (unless a condition precedent is by its nature required to be satisfied on the Closing Date, in which case subject to the satisfaction or appropriate waiver of such condition on the Closing Date), or on such other date as may be mutually agreed by the Transferor and the Acquirer.

- (a) The Acquirer shall pay the initial installment (being 90% of the Share Transfer Consideration) to the Transferor on the Closing Date; and
- (b) The Acquirer shall pay the balance (being 10% of the Share Transfer Consideration) to the Transferor upon the later of (i) the Transferor's completion of payment of all tax payables under the Share Transfer Agreement, and (ii) confirmation by both the Transferor and the Acquirer of the amount of leakage (as defined in the Share Transfer Agreement, if any).

**Transitional arrangements**

- (a) The Transferor undertakes that during the Transitional Period, it shall continue to operate in accordance with the pre-transaction practice, and any operating profits or losses generated by the Target Group during such period shall belong to the Acquirer; and
- (b) the Transferor shall be subject to customary restrictions on major matters during the Transitional Period (including, without limitation, changes to the constitutional documents of the Target Group, share structure, any material change to its principal business, and entry into contracts not in the ordinary course of business, etc.).

**Exclusivity**

From the date of execution of the Share Transfer Agreement up to (and including) the Closing Date or the date of termination of the Share Transfer Agreement (whichever is earlier), without the Acquirer's prior written consent, the Transferor, the Founder of Transferor and their respective affiliates shall not, directly or indirectly, participate in, procure or facilitate any "conflicting transaction" as defined in the transaction documents involving the equity interests or material assets of the Target Group, merger, reorganisation or other transaction. They shall immediately terminate any existing relevant discussions/contacts and, upon receipt of any proposal or enquiry relating to any conflicting transaction, shall promptly notify the Acquirer.

**Liabilities for breach**

The occurrence of any of the following shall constitute an event of default: (x) any representation or warranty made by any party under the Share Transfer Agreement is untrue, inaccurate or misleading or contains any material omission; (y) any party breaches its undertakings under the Share Transfer Agreement; or (z) any party fails to perform its obligations under the Share Transfer Agreement in accordance with the agreed terms.

If any party commits an event of default, or any third party makes any claim against any other party as a result of such event of default (excluding any claim or allegation arising from such other party's own breach of its arrangements with the third party), the defaulting party shall indemnify and compensate the other parties for any losses arising from such event of default.

Unless there is fraud, wilful concealment of material facts relating to the entry into the transaction documents, or intentional misrepresentation resulting in losses of the indemnified party, the aggregate liability/indemnity liability of the Transferor and the Founder of Transferor shall be capped at US\$100 million.

**Non-Competition**

The Transferor and Mr. Liang Changlin have undertaken that, during the period of 5 years commencing from the Closing Date, they shall be subject to non-compete and non-solicitation obligations with respect to consumer-facing (To C) e-commerce businesses in the fresh food grocery sector within the Greater China Region.

**Termination and Fees**

The Share Transfer Agreement may be terminated if closing does not occur within 12 months, which may be extended with mutual consent. The Share Transfer Agreement includes tiered termination fee arrangements: (i) the Acquirer shall pay a US\$150 million termination fee if it fails to proceed to closing despite the satisfaction of all material conditions; (ii) the Transferor shall pay a US\$75 million termination fee if it fails to satisfy certain material controllable conditions, or fails to cooperate in regulatory filings; and (iii) the Acquirer shall pay a US\$75 million termination fee if the Transaction fails and the Anti-Monopoly Review approval or certain other regulatory clearance cannot be obtained, despite the Transferor's material cooperation.

## **BASIS OF DETERMINATION OF THE CONSIDERATION**

The Share Transfer Consideration was determined based on arm's length negotiations between the Transferor and the Acquirer, taking into account the following factors: (1) the fair value of the entire equity interest of the Target Group as of the Valuation Date (i.e. January 31, 2026), valued by the Independent Valuer using the market approach based on the Target Group's financial data as of September 30, 2025, amounting to US\$1,006 million; (2) the Funds Withdrawal of not more than US\$280 million; and (3) the reasons for and benefits of the Acquisition as described in the section titled "REASONS FOR AND BENEFITS OF THE ACQUISITION" in this announcement.

For the summary of the valuation report, including the valuation methodologies, major assumptions and key parameters, and information of the Independent Valuer, please refer to the appendix to this announcement. The Board has carefully reviewed the relevant basis, assumptions and methodologies set out in the valuation report. The Board is of the view that the Share Transfer Consideration was appropriately determined with reference to the valuation and is therefore fair and reasonable, and is in the interests of the Company and its Shareholders as a whole.

The Company intends to fund the Acquisition out of the internal resources of the Group.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Company attaches great importance to the grocery retail business, and the Transaction is in line with the Company's long-term development plan in the grocery retail sector. Dingdong is a leading player in the grocery retail sector in China. Its philosophy of pursuing "good users, good products, good services and good mindshare" is highly aligned with Meituan's mission of "helping people eat better, live better". As of September 2025, Dingdong operated over 1,000 front warehouses in China, with more than 7 million monthly transacting users. Dingdong has best-in-class supply chain capabilities, with a high direct sourcing rate from fresh produce origins, a rich portfolio of private-label products and a high repurchase rate, and is well received by consumers. The Transaction will help fully leverage the respective strengths of both parties in product capabilities, technology and operations, providing consumers with better consumption and delivery experiences. Taking into account the above, the Directors (including the independent non-executive Directors) consider that the Acquisition has been conducted on normal commercial terms which are fair and reasonable and is in the interests of the Company and its Shareholders as a whole.

No Directors have material interests and are required to abstain from voting on the resolution to approve the Share Transfer Agreement and the transactions contemplated hereunder.

## **GENERAL INFORMATION**

### **INFORMATION ABOUT THE GROUP AND THE ACQUIRER**

Meituan is a tech-driven retail company. The Company offers diversified daily goods and services in the broader retail by leveraging technology, including food delivery, in-store, hotel and travel booking and other services and sales.

The Acquirer is an investment holding company incorporated in the British Virgin Islands, which is a wholly-owned subsidiary of the Company.

## INFORMATION ABOUT THE TRANSFEROR

The Transferor is an exempted company incorporated in the Cayman Islands, with its American Depositary Shares listed on the New York Stock Exchange (stock code: DDL). Dingdong is a leading fresh grocery e-commerce company in the mainland China. Dingdong directly provides users and households with fresh groceries, prepared food and other food products, meeting their needs through delivering a convenient and excellent shopping experience supported by an extensive self-operated frontline fulfillment grid.

To the best of the Directors' knowledge, information, and belief after all reasonable enquiries, as at the date of this announcement, the Transferor and its ultimate beneficial owners are independent third parties of the Company.

## INFORMATION ABOUT THE FOUNDER OF THE TRANSFEROR

Mr. Liang Changlin is a PRC citizen and the founder and actual controller of Dingdong.

To the best of the Directors' knowledge, information and belief after all reasonable enquiries, as at the date of this announcement, Mr. Liang Changlin is an independent third party of the Company.

## INFORMATION ABOUT THE TARGET COMPANY

The Target Company is a limited liability company established under the laws of the British Virgin Islands, which is wholly owned by the Transferor as of the date of this announcement. The Target Company and its subsidiaries are principally engaged in the e-commerce business in the fresh food and grocery sector.

The following table sets out the financial information of the Target Group during the years ended December 31, 2023 and 2024, and during the nine months ended September 30, 2025:

	<b>During the year ended December 31, 2023</b> <i>(Unaudited)</i> <i>(RMB million)</i>	<b>During the year ended December 31, 2024</b> <i>(Unaudited)</i> <i>(RMB million)</i>	<b>During the nine months ended September 30, 2025</b> <i>(Unaudited)</i> <i>(RMB million)</i>
Net profit/(loss) before tax	(19.51)	388.82	222.85
Net profit/(loss) after tax	(38.88)	372.75	215.73

The unaudited total assets and unaudited net liabilities of the Target Group on September 30, 2025 amounted to approximately RMB7,021.81 million and approximately RMB1,644.79 million, respectively.

## LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (calculated as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules, but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## FORWARD-LOOKING STATEMENTS

There is no assurance that any forward-looking statements contained in this announcement regarding the business development of the Group in this announcement or any of the matters set out herein are attainable, will actually occur or will be realized or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the shares of the Company and not to place any excessive reliance on the information disclosed herein. Any shareholder or potential investor who is in doubt is advised to seek advice from professional advisors.

**Shareholders and potential investors of the Company should note that the completion of the Acquisition is subject to the fulfillment of the conditions precedent under the Share Transfer Agreement. As the Acquisition may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the meanings as set out below:

- “Acquirer” Two Hearts Investments Limited, an investment holding limited company incorporated in the British Virgin Islands, which is an indirect wholly-owned subsidiary of the Company;
- “Acquisition” or “Transaction” the Acquirer acquired all issued shares of the Target Company in accordance with the terms and conditions of the Share Transfer Agreement;

“Board”	the board of directors of the Company;
“Closing Date”	the date of closing of the Acquisition;
“Company”, or “Meituan”	Meituan, an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 25, 2015, with its Class B shares listed on the main board of the Stock Exchange (stock code: 3690);
“Dingdong Group”	Dingdong and its subsidiaries;
“Director(s)”	the director(s) of the Company;
“Founder of Transferor”	Mr. Liang Changlin;
“Group”, “our Group” or “the Group”	the Company, its subsidiaries and consolidated affiliated entities;
“Independent Valuer”	Avista Valuation Advisory Limited, an independent qualified valuer engaged by the Company to assess the value of the Target Group;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Long-Stop Date”	the twelve-month period following the date of execution of the Share Transfer Agreement (or such longer period as the parties may agree in writing);
“Non-Target Group Dingdong Entity”	entity within the Dingdong Group other than the Target Group;
“Share Transfer Agreement”	the share transfer agreement dated February 5, 2026, entered into by the Transferor, the founder, and the Acquirer in respect of all issued shares of the Target Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Dingdong Fresh Holding Limited, a limited liability company established under the laws of the British Virgin Islands;

“Target Group”	the Target Company and its subsidiaries, excluding overseas business entities specified in the Share Transfer Agreement;
“Transferor” or “Dingdong”	Dingdong (Cayman) Limited, an exempted company incorporated in the Cayman Islands, with its American Depositary Shares listed on the New York Stock Exchange (stock code: DDL);
“Transitional Period”	the period from the date of execution of the Share Transfer Agreement to the Closing Date;
“US dollars”, “U.S. dollars” or “US\$”	United States dollars, the lawful currency of the United States;
“Valuation Date”	January 31, 2026;
“%”	per cent.

By Order of the Board  
**Meituan**  
**Wang Xing**  
*Chairman*

Hong Kong, February 5, 2026

*As at the date of this announcement, the Board comprises Mr. Wang Xing and Mr. Mu Rongjun as executive Directors; and Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong, Dr. Shum Heung Yeung Harry and Ms. Yang Marjorie Mun Tak as independent non-executive Directors.*

## **APPENDIX: SUMMARY OF VALUATION REPORT**

### **IN RELATION TO: VALUATION OF THE ENTIRE EQUITY INTEREST OF THE TARGET GROUP**

As at Valuation Date (i.e. January 31, 2026), the fair value of the entire equity interest of the Target Group amounted to US\$1,006 million.

#### **1. Overview of Valuation Methodologies and Basis of Selection**

All three generally accepted approaches to value the entire equity interest of the Target Group, the income approach, cost approach, and market approach, were considered in valuing the Target Group.

Each of the above approaches works for one or more situations, while sometimes two or more of them may be used simultaneously. Selecting a specific approach will be determined based on the most commonly adopted practices when valuing business entities in a similar nature. In the valuation project for the entire equity interest of the Target Group, the Independent Valuer has adopted the market approach for the following reasons:

- Cost approach is not applicable as it assumed that the assets and liabilities of the Target Group are separable and can be sold separately. This methodology is more appropriate for industries where assets are highly liquid, such as property development and financial institution. Thus, the cost approach was not adopted in the valuation;
- Income approach is considered inappropriate because it involves numerous assumptions in formulating the financial projections of the Target Group, and the assumptions may be unable to reflect the uncertainties in its future performance. Given that improper assumptions can significantly impact the fair value, the income approach was not adopted in the valuation; and
- The fair value derived from the market approach reflects market expectations for the corresponding industry as the price multipliers of the comparable companies are arrived from market consensus. Since there are sufficient public companies with similar nature and business to the Target Group, their market values serve as good indicators for the industry of the Target Group. Therefore, the market approach was adopted in the valuation.
- Based on appropriate selection criteria, no comparable transactions similar to the Target Group's business were identified during the selected period. Given the inability to identify recent comparable transactions, the Independent Valuer concluded that the comparable transaction approach is not applicable to the valuation.

The Independent Valuer adopted the comparable company method in performing the market approach. This method requires analysis of comparable companies' value multipliers and proper selection of a suitable multiplier. In arriving at the fair value of the entire equity interest of the Target Group, the Independent Valuer considered the following commonly used value multipliers, and selected the enterprise value/earnings before interests, taxes, depreciation and amortization ("**EV/EBITDA**") multiple due to the following reasons:

Price-to-earnings ("**P/E**") multiple is considered not appropriate for the valuation because (i) it does not take into account the capital structure of a company, and (ii) tax policies differ among companies, requiring elimination of the effect of tax on the earnings of comparable companies. Thus, the P/E multiple is not a good measure of the fair value of the entire equity interest of the Target Group;

Price-to-book ("**P/B**") multiple is considered not appropriate for the valuation as it only accounts for the value of tangible assets, and does not capture the intangible assets and advantages that contribute to a company's market value, thus not accurately reflecting the fair value of the entire equity interest of the Target Group;

Enterprise value/sales ("**EV/S**") multiple is commonly used in the valuation of start-up enterprises. However, this valuation multiple ignores a company's cost structure and, consequently fails to reflect, its profitability, which is critical in measuring the fair value. Hence, the EV/S multiple is considered inappropriate for the valuation; and

EV/EBITDA multiple is considered the most appropriate indicator of the fair value of the entire equity interest of the Target Group in the valuation. It effectively measures the performance of the Target Group's core operations by removing the impact of the cost of capital, tax effect on earnings, and depreciation and amortization, which eliminates differences in capital structure among companies. Considering that the Target Group's EBITDA has been positive and stable for two consecutive years, the EV/EBITDA multiple was adopted in the valuation.

## **2. Scope of Work and Limitation**

The valuation report does not constitute an opinion on the commercial merits or transaction structure of the proposed acquisition. The valuation report does not contain all information necessary for a comprehensive evaluation of the proposed acquisition. The Independent Valuer is not required to and has not conducted a comprehensive review of the business, technical, operational, strategic, or other commercial risks and merits of the proposed acquisition. Such responsibility shall be fully borne by the Directors and management.

The Independent Valuer has assumed and relied upon all information provided by relevant parties, or otherwise disclosed to the Independent Valuer and cited by the Independent Valuer in the valuation report, and has not independently verified the accuracy, completeness or adequacy of such information. This particularly applies to historical financial information of the Target Group provided by the management, whether written or verbal. The Independent Valuer makes no representation or warrant, expressed or implied, regarding the accuracy, completeness or adequacy of such information and assumes no responsibility in this regard.

Furthermore, the valuation of the Independent Valuer has also relied upon information obtained from public sources which it believes to be reliable. The Independent Valuer assumes no responsibility for the accuracy and reliability of any information obtained from public sources.

## **3. Valuation Assumptions and Key Parameters**

The Independent Valuer conducted this valuation analysis based on a series of general assumptions, including but not limited to:

- There will be no material changes in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Target Group;
- There are no material changes in the financial positions of the Target Group and the comparable companies between the respective financial reporting dates and the valuation date;
- The operations of the Target Group will not be constrained by the availability of finance;
- The Target Group will retain competent management, key personnel and technical staff to support its ongoing operations; and
- There are no hidden or unexpected conditions associated with the Target Group that might adversely affect the valuation conclusion.

In determining the EV/EBITDA multiple, the Independent Valuer selected comparable companies based on the following criteria:

- The comparable companies operate in the food retail or essential consumer goods and merchandise retail industries;
- The comparable companies conduct primary business operations in mainland China;
- The comparable companies include business model with consumer-facing operations and online sales channels;
- The comparable companies sell products including fresh food items;
- The comparable companies are listed on major securities exchanges in Hong Kong, mainland China, or the United States;
- The comparable companies' financial information is publicly available; and
- The comparable companies' EBITDA for 2023 and 2024 are positive.

During the research process, the Independent Valuer has identified, on the best effort basis, 10 comparable companies that engaged in the food retail or essential consumer goods and merchandise retail industries, and prepared an exhaustive list. As mentioned above, since no two companies are ever exactly alike, the differences should not overshadow the similarities of the business nature of the companies. The Independent Valuer considers that the selected companies are fair and representative comparable companies to the Target Group.

*Currency Unit: RMB Million*

No.	Company Name	Market Capitalization <sup>1</sup>	Net Debt	Minority Interest	Enterprise Value	Last Twelve-month EBITDA <sup>2</sup>	EV/EBITDA
1	Chengdu Hongqi Chain Co., Ltd.	8,038	(2,729)	1	5,309	578	9.18x
2	Jiangxi Guoguang Commercial Chains Co., Ltd.	9,907	(763)	–	9,143	78	Extreme value <sup>3</sup>
3	Jiajiayue Group Co., Ltd.	8,065	(2,020)	(0)	6,045	742	8.15x
4	Sanjiang Shopping Club Co., Ltd.	9,086	(1,843)	–	7,243	178	40.60x
5	Shanghai Bailian Group Co., Ltd.	15,338	(14,710)	1,776	2,404	1,044	2.30x
6	Beijing Jingkelong Company Limited	112	1,759	271	2,142	24	Extreme value <sup>3</sup>
7	Sun Art Retail Group Limited	13,078	(11,153)	(13)	1,912	2,336	0.82x
8	Jiangsu Horizon Chain Supermarket Company Limited	1,110	402	18	1,529	125	12.24x
9	Guoquan Food (Shanghai) Co., Ltd.	9,970	(1,586)	118	8,502	536	15.86x
10	Dingdong Limited	4,261	(2,991)	133	1,402	273	5.13x
						Maximum	40.60x
						Average	11.79x
						Median	8.67x
						Minimum	0.82x

*Notes:*

- (1) As of January 31, 2026, the market capitalization, net debt and minority interest of the comparable companies are sourced from S&P Capital IQ.
- (2) As of January 31, 2026, the date of last twelve-month EBITDA of the comparable companies is sourced from S&P Capital IQ.
- (3) In the EV/EBITDA multiples of the comparable companies, Jiangxi Guoguang Commercial Chains Co., Ltd. (EV/EBITDA multiple of 117.29x) and Beijing Jingkelong Company Limited (EV/EBITDA multiple of 89.13x) are considered not meaningful, as such an extreme value is unjustifiable from a valuation perspective.
- (4) Minor discrepancies in the total calculations may occur due to rounding during the calculation process.

#### 4. Calculation of Valuation Results

The calculation of the fair value of the entire equity interest of the Target Group as of the Valuation Date is as follows:

<b>Currency unit: RMB million (unless otherwise specified)</b>	
Last twelve-month EBITDA	392
EV/EBITDA	8.67x
<b>Enterprise value</b>	<b>3,398</b>
Add: cash and cash equivalents	767
Add: short-term investment	3,082
Less: interests-bearing liabilities	(916)
<b>Total equity value of the Target Group (marketable and non-controlling basis)</b>	<b>6,330</b>
Add: control premium	1,975
<b>Total equity value of the Target Group (marketable and controlling basis)</b>	<b>8,305</b>
Less: lack of marketability discount	(1,296)
<b>Total equity value of the Target Group's shareholders</b>	<b>7,010</b>
Exchange rate on the Valuation Date	6.9678
<b>Fair value of the entire equity interest (US\$ million)</b>	<b>1,006</b>

*Notes:*

- (1) Last twelve-month EBITDA refers to the EBITDA of the Target Group for the twelve-month period from October 1, 2024, to September 30, 2025, which is sourced from unaudited financial statement information provided by the management.
- (2) Cash and cash equivalents, short-term investments (includes wealth management products and time deposits with maturity of 3 months to 12 months), and interest-bearing liabilities are sourced from unaudited financial statement information provided by the management.
- (3) Control premium is the amount that a buyer is willing to pay over the minority interest of a company in order to acquire a controlling interest in that company. The EV/EBITDA multiple adopted in the Valuation was calculated from public listed companies, which represents minority ownership interest. Equity value calculated by such EV/EBITDA multiple, therefore, represents the minority interest. Thus, control premium was adopted to adjust such value on minority basis to a value on controlling basis. Adjustment for control is made by the application of a control premium to the value of a company's shares. Control premium is determined with reference to the control premium implied from comparable transactions, which is based on the median of 160 historical domestic and international transactions published by Mergerstat in the third quarter of 2025, and is set at 31.2%.
- (4) Lack of marketability discount ("LOMD") reflects the fact that there is no ready market for shares in an unlisted company. Shares in unlisted companies are typically not readily marketable compared to similar interests in listed companies. Therefore, shares in an unlisted company are usually worth less than an otherwise comparable share in a listed company. The EV/EBITDA multiples adopted in the Valuation were calculated from public listed companies, which represent marketable interest. Fair values calculated using such EV/EBITDA multiples, therefore, represent the marketable interest. Thus, LOMD was adopted to adjust such marketable interest fair value to non-marketable interest fair value. LOMD was sourced from Stout Restricted Stock Study Companion Guide 2024, and is set at 15.6%.
- (5) Minor discrepancies in the total calculations may occur due to rounding during the calculation process.

## **5. IDENTITY, INDEPENDENCE AND QUALIFICATIONS OF THE INDEPENDENT VALUER**

Avista Valuation Advisory Limited was engaged by the Company as the Independent Valuer for the Transaction. The person in charge of the valuation project is a member of CFA Institute and CPA Australia, a fellow member of the Hong Kong Institute of Certified Public Accountants, a member and a registered valuer of Royal Institution of Chartered Surveyors, and possesses over 25 years of experience in enterprise value assessments and business advisory projects.