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

If you have sold or transferred all your shares in Xiamen Yan Palace Bird's Nest Industry Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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XIAMEN YAN PALACE BIRD'S NEST INDUSTRY CO., LTD.

廈門燕之屋燕窩產業股份有限公司

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

(Stock Code: 1497)

2026 INTERIM PROFIT DISTRIBUTION PLAN AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 2 to 6 of this circular.

A notice convening the extraordinary general meeting (the "EGM") of Xiamen Yan Palace Bird's Nest Industry Co., Ltd. to be held at 22/F, Caizihui, No. 188 Qianpu Road, Siming District, Xiamen City, Fujian Province, the PRC at 10 a.m. on Thursday, September 3, 2026 is set out on pages 7 to 8 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yanzhiwu.com).

Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM (i.e. before 10 a.m. on Wednesday, September 2, 2026) or any adjournment thereof (for the H Share Shareholders). Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the EGM (or any adjourned meeting) if they so wish. In such event, the form of proxy shall be deemed to be revoked.

August 14, 2026

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DEFINITIONS

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

“Articles of Association”	articles of association of the Company (as amended from time to time)
“Board”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Company”	Xiamen Yan Palace Bird’s Nest Industry Co., Ltd. (廈門燕之屋燕窩產業股份有限公司), a joint stock company incorporated in the PRC with limited liability, the issued H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1497)
“Directors	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 22/F, Caizihui, No.188 Qianpu Road, Siming District, Xiamen City, Fujian Province, the PRC at 10 a.m. on Thursday, September 3, 2026, or any adjournment thereof
“H Shares”	ordinary share(s) in the share capital of the Company with nominal value of RMB0.20 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“H Share Shareholder(s)”	holder(s) of the H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) in the share capital of the Company with a par value of RMB0.20 each
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company

LETTER FROM THE BOARD



XIAMEN YAN PALACE BIRD'S NEST INDUSTRY CO., LTD. **廈門燕之屋燕窩產業股份有限公司**

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

(Stock Code: 1497)

Executive Directors:

Mr. HUANG Jian (*Chairman*)
Mr. ZHENG Wenbin
Mr. LI Youquan
Ms. HUANG Danyan

Non-Executive Directors:

Mr. LIU Zhen
Mr. WANG Yalong

Independent Non-Executive Directors:

Mr. XIAO Wei
Mr. CHEN Aihua
Mr. LAM Yiu Por

Registered Office:

Unit 1, Unit 301
No. 3 Xiangming Road
Xiamen Torch High-tech Zone (Xiang'an)
Industrial Zone
Xiamen City, Fujian Province, the PRC

*Headquarters and Principal Place of
Business in the PRC:*

22/F, Caizihui, No. 188 Qianpu Road
Siming District
Xiamen City, Fujian Province, the PRC

Principal Place of Business in Hong Kong:

Room 1928, 19/F
Lee Garden One, 33 Hysan Avenue
Causeway Bay, Hong Kong

August 14, 2026

To the shareholder:

Dear Sir or Madam,

2026 INTERIM PROFIT DISTRIBUTION PLAN AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolution to be proposed at the EGM, so as to enable you to make an informed decision on whether to vote for or against the resolution at the EGM. The EGM of the Company will be held at 22/F, Caizihui, No. 188 Qianpu Road, Siming District, Xiamen City, Fujian Province, the PRC on Thursday, September 3, 2026.

At the EGM, amongst other things, an ordinary resolution will be proposed to consider and approve the 2026 interim profit distribution plan.

2. 2026 INTERIM PROFIT DISTRIBUTION PLAN

Interim dividend distribution plan for the six months ended June 30, 2026

The interim dividend distribution plan of the Company for the six months ended June 30, 2026 was considered and approved by the Board on August 14, 2026 and will be proposed at the EGM for consideration and approval, the specific details of which are as follows:

The aggregate amount of the dividends to be distributed by the Company for the six months ended June 30, 2026 (the “**Interim Dividend**”) is proposed to be approximately RMB100,187,424.40 (inclusive of applicable tax) in cash. Based on the total number of Shares outstanding (excluding treasury Shares) as at June 30, 2026, the Interim Dividend of RMB2.17 per every ten Shares (inclusive of applicable tax) shall be payable in cash to all Shareholders. For avoidance of doubt, the Company is not entitled to receive the Interim Dividend for all treasury Shares held by it.

The Interim Dividend will be denominated and declared in Renminbi. H Share Shareholders will be paid in Hong Kong dollars. The exchange rate for the Interim Dividend to be paid in Hong Kong dollars will be the average of the exchange rates of Renminbi to Hong Kong dollars as announced by the People’s Bank of China during the five business days preceding the date of approval of the Interim Dividend at the EGM.

The Company will appoint a receiving agent in Hong Kong and will pay to such receiving agent the Interim Dividend (after deductions of relevant tax, if applicable) declared for payment to H Share Shareholders. The Interim Dividend will be paid by the receiving agent on or before Thursday, September 24, 2026. The cheques will be dispatched to H Share Shareholders by ordinary post at their own risks. An ordinary resolution will be proposed at the EGM to consider and approve the above interim dividend distribution plan. The payment of the Interim Dividend is subject to the Shareholders’ approval at the EGM.

LETTER FROM THE BOARD

Closure of Register of Members

The Interim Dividend will be paid on or before Thursday, September 24, 2026 to all Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, September 10, 2026. For determining the entitlement of Shareholders to receive the Interim Dividend, the register of members of the Company will be closed from Wednesday, September 9, 2026 to Thursday, September 10, 2026, both days inclusive, during which period no transfer of Shares will be registered.

In order to qualify for the Interim Dividend, all H Share transfer documents accompanied by the corresponding share certificates must be lodged with the Company's branch H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Tuesday, September 8, 2026.

Taxation

In accordance with the Enterprise Income Tax Law of the People's Republic of China (中華人民共和國企業所得稅法) and its implementation regulations, the Company is required to withhold and pay enterprise income tax at the rate of 10% on behalf of the non-resident enterprise Shareholders whose names appear on the register of members for H Shares when distributing the cash dividends. Any H Shares not registered under the name of an individual Shareholder, including HKSCC Nominees Limited, other nominees, agents or trustees, or other organisations or groups, shall be deemed as Shares held by non-resident enterprise Shareholders. Therefore, enterprise income tax shall be withheld from dividends payable to such Shareholders. If H Shareholders intend to change their shareholder status, please enquire about the relevant procedures with their agents or trustees. The Company will strictly comply with the law or the requirements of the relevant government authority and withhold and pay enterprise income tax on behalf of the relevant Shareholders based on the register of members for H Shares as at Thursday, September 10, 2026.

If the individual H Shareholders are Hong Kong or Macau residents or residents of the countries which had an agreed tax rate of 10% for the cash dividends to them under the relevant tax agreement with the PRC, the Company should withhold and pay individual income tax on behalf of the relevant Shareholders at a rate of 10%. Should the individual H Shareholders be residents of the countries which had an agreed tax rate of less than 10% under the relevant tax agreement with the PRC, the Company shall withhold and pay individual income tax on behalf of the relevant shareholders at a rate of 10%. In that case, if the relevant individual H Shareholders wish to reclaim the extra amount withheld due to the application of 10% tax rate, the Company can apply for the relevant agreed preferential tax treatment provided that the relevant Shareholders submit the information required by the notice of the relevant tax agreement to the H share registrar of the Company. The Company will assist with the tax refund of the extra amount withheld after obtaining the approval of the competent tax authority. Should the individual H Shareholders be residents of the countries which had an agreed tax rate of over 10% but less than 20% under the relevant tax

LETTER FROM THE BOARD

agreement with the PRC, the Company shall withhold and pay the individual income tax at the agreed actual rate in accordance with the relevant tax agreement. In the case that the individual H Shareholders are residents of the countries which have had an agreed tax rate of 20% under the relevant tax agreement with the PRC, or which have not entered into any tax agreement with the PRC, or in any other circumstances, the Company shall withhold and pay the individual income tax at a rate of 20%

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation relating to the Interim Dividend.

3. EGM

The EGM will be held at 10 a.m. on Thursday, September 3, 2026 at 22/F, Caizihui, No. 188 Qianpu Road, Siming District, Xiamen City, Fujian Province, the PRC. A notice of the EGM is set out on pages 7 to 8.

A form of proxy is enclosed for use at the EGM. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yanzhiwu.com). Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 24 hours before the time before the time appointed for the holding of the EGM (i.e. before 10 a.m. on Wednesday, September 2, 2026) or any adjournment thereof (for the H Share Shareholders). Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the EGM (or any adjourned meeting) if they so wish. In such event, the form of proxy shall deemed to be revoked.

4. VOTING BY POLL

As at the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors after having made all reasonable inquiries, no Shareholder will be required to abstain from voting at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, at any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions set out in the notice of EGM will be decided by way of a poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder. A Shareholder entitled to more than one vote needs not use all his votes or cast all the votes he uses in the same way.

LETTER FROM THE BOARD

An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

5. RECOMMENDATION

The Board considers that the resolution proposed at the EGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favor of the resolution to be proposed at the EGM as set forth in the notice of the EGM.

6. 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
Xiamen Yan Palace Bird's Nest Industry Co., Ltd.
廈門燕之屋燕窩產業股份有限公司
HUANG Jian
Chairman and Executive Director

August 14, 2026

NOTICE OF EGM



XIAMEN YAN PALACE BIRD'S NEST INDUSTRY CO., LTD. **廈門燕之屋燕窩產業股份有限公司**

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

(Stock Code: 1497)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Xiamen Yan Palace Bird's Nest Industry Co., Ltd. (廈門燕之屋燕窩產業股份有限公司) (the “**Company**”) will be held at 22/F, Caizihui, No. 188 Qianpu Road, Siming District, Xiamen City, Fujian Province, the PRC at 10 a.m. on Thursday, September 3, 2026, for the purpose of considering and if thought fit, passing, the following resolution:

1. **THAT** the 2026 interim profit distribution plan be considered and approved.

By Order of the Board

Xiamen Yan Palace Bird's Nest Industry Co., Ltd.

廈門燕之屋燕窩產業股份有限公司

HUANG Jian

Chairman and Executive Director

PRC, August 14, 2026

NOTICE OF EGM

Notes:

- (1) For details of the above resolution to be approved in this EGM, please refer to the circular of the Company dated August 14, 2026 (the “**Circular**”). Unless the context otherwise requires, the terms used in this notice of EGM shall have the meaning same as those used in the Circular.
- (2) For determining the entitlement to attend and vote at the EGM, the register of members of H Shares of the Company will be closed from Monday, August 31, 2026 to Thursday, September 3, 2026, both days inclusive, during which period no transfer of H Shares will be registered. In order to be eligible to attend and vote at the EGM, all transfer documents of H shares accompanied by the relevant shares certificates must be lodged with the Company’s branch H Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. (Hong Kong time) on Friday, August 28, 2026.
- (3) H Share Shareholders who have the right to attend and vote at the EGM are entitled to appoint one or more proxies (whether or not a Shareholder) to attend and vote on his/her/its behalf. For those Shareholders who appoint more than one proxy, such proxies can only exercise their voting rights by way of poll.
- (4) In order to be valid, the proxy form must be completed and signed in accordance with the instructions printed thereon and return it to the Company’s H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM (for the H Share Shareholders).
- (5) If a proxy is appointed to attend the EGM on behalf of a Shareholder, the proxy must produce a proxy form which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person sealed by the stamp of the legal person or signed by its director or agent so officially authorized. The proxy form shall specify the number of shares represented by the proxy of the Shareholder. Where a Shareholder appoints more than one proxy, he/she shall specify the number of shares represented by each proxy.
- (6) All persons who are registered holders of shares of the Company at the closure of business (Hong Kong time) on Thursday, September 3, 2026 will be entitled to attend and vote at the meeting.
- (7) References to time and dates in this notice are to Hong Kong time and dates.
- (8) Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in this notice will be decided by poll at the EGM. For details of the resolution, please refer to the circular of the Company dated August 14, 2026.

As at the date of this notice, the Board comprises (i) Mr. HUANG Jian, Mr. ZHENG Wenbin, Mr. LI Youquan and Ms. HUANG Danyan as executive Directors; (ii) Mr. LIU Zhen and Mr. WANG Yalong as non-executive Directors; and (iii) Mr. XIAO Wei, Mr. CHEN Aihua and Mr. LAM Yiu Por as independent non-executive Directors.