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**上海大眾公用事業(集團)股份有限公司**

**Shanghai Dazhong Public Utilities (Group) Co., Ltd.***

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

**(Stock Code: 1635)**

# ANNOUNCEMENT
# CONNECTED TRANSACTION
# ENTERING INTO THE CAPITAL INCREASE AGREEMENT

**SUMMARY**

**CAPITAL INCREASE AGREEMENT**

On November 6, 2026, the Company entered into the Capital Increase Agreement with Dazhong Green Mobility, Dazhong Run Logistics and Dazhong Business Management, pursuant to which the Company has agreed to subscribe for the newly increased registered capital of RMB20,000,000 of Dazhong Green Mobility in cash for a consideration of RMB20,000,000. Dazhong Run Logistics and Dazhong Business Management have agreed to waive their pre-emptive rights in respect of the Capital Increase.

Immediately prior to the Capital Increase, the registered capital of Dazhong Green Mobility was RMB20,000,000, in which Dazhong Run Logistics and Dazhong Business Management hold 80% and 20% equity interests of the equity interests in Dazhong Green Mobility, respectively. Upon completion of this the Capital Increase, the registered capital of Dazhong Green Mobility will be increased to RMB40,000,000, and the Company, Dazhong Run Logistics and Dazhong Business Management will hold 50%, 40% and 10% of the equity interests in Dazhong Green Mobility, respectively. The aggregate equity interest held by the Group (through the Company and Dazhong Run Logistics) in Dazhong Green Mobility will be increased to approximately 82%, and Dazhong Green Mobility will remain a non-wholly-owned subsidiary of the Company.

**IMPLICATIONS OF THE LISTING RULES**

At the date of this announcement, Dazhong Run Logistics is a non-wholly owned subsidiary of the Company. Dazhong Business Management is a substantial shareholder of the Company and is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Capital Increase Agreement constitute a connected transaction of the Company. As the highest applicable percentage ratio in respect of the transactions contemplated under the Capital Increase Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Capital Increase Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement.

## INTRODUCTION

On November 6, 2026, the Company entered into the Capital Increase Agreement with Dazhong Green Mobility, Dazhong Run Logistics and Dazhong Business Management, pursuant to which the Company has agreed to subscribe for the newly increased registered capital of RMB20,000,000 of Dazhong Green Mobility in cash for a consideration of RMB20,000,000. Dazhong Run Logistics and Dazhong Business Management have agreed to waive their pre-emptive rights in respect of the Capital Increase.

Immediately prior to the Capital Increase, the registered capital of Dazhong Green Mobility was RMB20,000,000, in which Dazhong Run Logistics and Dazhong Business Management hold 80% and 20% of the equity interests in Dazhong Green Mobility, respectively. Upon completion of the Capital Increase, the registered capital of Dazhong Green Mobility will be increased to RMB40,000,000, and the Company, Dazhong Run Logistics and Dazhong Business Management will hold 50%, 40% and 10% of the equity interests in Dazhong Green Mobility, respectively. The aggregate equity interest held by the Group (through the Company and Dazhong Run Logistics) in Dazhong Green Mobility will be increased to approximately 82%, Dazhong Green Mobility will remain a non-wholly-owned subsidiary of the Company.

## CAPITAL INCREASE AGREEMENT

### Date

November 6, 2026

### Parties

1. The Company;

2. Dazhong Green Mobility (a non-wholly-owned subsidiary of the Company);

3. Dazhong Run Logistics (a non-wholly-owned subsidiary of the Company); and

4. Dazhong Business Management (a substantial shareholder of the Company).

**Principal Terms of the Capital Increase Agreement**

***1. Amount and Method of Capital Increase***

*(1) Increase in Registered Capital*

The registered capital of Dazhong Green Mobility will be increased from RMB20,000,000 to RMB40,000,000, with the newly increased registered capital amounting to RMB20,000,000.

*(2) Method and Amount of Capital Increase*

The Company has agreed to inject capital of RMB20,000,000 into Dazhong Green Mobility in cash, which will be applied in full to subscribe for its newly increased registered capital. That is, the subscription price is RMB1.00 for every RMB1.00 of the newly increased registered capital.

Dazhong Run Logistics and Dazhong Business Management have irrevocably waived their pre-emptive rights in respect of the Capital Increase and agreed that the Company shall subscribe for the newly increased registered capital in full.

The amount of the Capital Increase and the shareholding structure of Dazhong Green Mobility before and after completion of the Capital Increase are as follows:

| **Shareholder Name** | **Registered Capital Subscribed for Before Capital Increase** *(RMB10,000)* | **Shareholding Percentage Before Capital Increase** | **Amount of Capital Increase** *(RMB10,000)* | **Registered Capital Subscribed for After Capital Increase** *(RMB10,000)* | **Shareholding Percentage After Capital Increase** |
|---|---|---|---|---|---|
| The Company | — | — | 2,000 | 2,000 | 50% |
| Dazhong Run Logistics | 1,600 | 80% | — | 1,600 | 40% |
| Dazhong Business Management | 400 | 20% | — | 400 | 10% |
| **Total** | **2,000** | **100%** | **2,000** | **4,000** | **100%** |

The amount payable by the Company for this Capital Increase will be funded by its internal resources.

*(3) Basis of Determination of Amount of Capital Increase*

The Capital Increase amount of RMB20,000,000 was determined after arm's length negotiations among the parties to the transaction. The price of Capital Increase was determined using a negotiated pricing method, with reference to the appraised market value of Dazhong Green Mobility as at the valuation benchmark date (i.e., August 31, 2026) assessed by an independent valuer and its original contribution price at the time of the establishment of Dazhong Green Mobility.

According to the valuation report, the independent valuer evaluated the entire shareholders' equity in Dazhong Green Mobility using the asset-based approach and the market approach, indicating the appraised value were RMB20,424,800 (representing an appreciation rate of 1.28%) and RMB21,180,000 (representing an appreciation rate of 5.02%), respectively at the valuation benchmark date of appraisal, showing a difference of RMB755,200. The asset-based approach involves appraising the values of various assets and liabilities at the valuation benchmark date of appraisal item by item based on the audited balance sheet, which can objectively reflect the net asset value of Dazhong Green Mobility. The comparable cases selected by the market approach differ from Dazhong Green Mobility in business structure, asset scale and operating stage, resulting in relatively limited comparability. Therefore, the valuation conclusion of the asset-based approach was ultimately adopted, i.e., the appraised value of the entire shareholders' equity in Dazhong Green Mobility is RMB20,424,800.

With reference to the aforesaid valuation results and the original capital contribution price at the time of establishment of Dazhong Green Mobility, and taking into account its operating performance from January to August 2026, it was agreed by all parties through negotiation that the Capital Increase price is determined at RMB1.00 per RMB1.00 of registered capital. The Company will subscribe for the newly increased registered capital of RMB20,000,000 of Dazhong Green Mobility in cash for a consideration of RMB20,000,000, representing a discount of approximately 2.08% to the appraised value.

The Board understands that the independent valuer analyzed the applicability of the three basic approaches of income approach, market approach and asset-based approach based on the purpose and subject of appraisal, value type and data collection, so as to determine the appraised value of 100% shares in Dazhong Green Mobility. It ultimately adopting the asset-based approach and market approach to perform the asset valuation and selecting the valuation results of the asset-based approach as the valuation conclusion. The details of the relevant appraisal report can be found in Annex 1 hereto.

The independent valuer, Shanghai Dongzhou Asset Appraisal Co., Ltd. is the valuer appointed for the purposes of preparation of the valuation report. Established in 1996, it is an entity registered with Shanghai Municipal Finance Bureau in accordance with relevant provisions of the Chinese law on asset appraisal. As an asset appraisal agency engaged in securities-related services, it possesses the professional qualifications to provide asset appraisal services to listed companies.

*2. Time of Capital Contribution*

The Company shall pay no less than 30% of the amount of capital increase into the designated bank account of Dazhong Green Mobility within 10 working days from the date of execution of the Capital Increase Agreement, the remaining balance shall be paid up in a lump sum manner within two months after the date of execution of the Capital Increase Agreement.

*3. Amendment to Articles of Association and Change Registration*

Dazhong Green Mobility shall amend its articles of association and complete the industrial and commercial change registration within 10 working days from the date of execution of the Capital Increase Agreement.

After completion of the Capital Increase, Dazhong Green Mobility shall promptly updating of the register of members and the industrial and commercial registration or filing procedures for change in registered capital, shareholders and shareholding percentages. Other parties shall provide cooperation upon the reasonable requirements of Dazhong Green Mobility and the registration authority.

*4. Effective Date*

The Capital Increase Agreement shall become effective upon being signed and sealed by legal representatives of all parties thereto or their authorized representatives.

## INFORMATION ON DAZHONG GREEN MOBILITY

Dazhong Green Mobility is a limited liability company established under the laws of the PRC, mainly engaged in operation of charging stations for new energy vehicles, with all operating stations currently located in Shanghai, including Wenshui Road Station, Jiangdong Road Station, Songjiang International Convention Centre Station, Qingpu Dazhong Driving School Station, Caoan Highway Station, Dongge Road Station and CheWei Space.

Immediately prior to the Capital Increase, the registered capital of Dazhong Green Mobility was RMB20,000,000, in which Dazhong Run Logistics and Dazhong Business Management hold 80% and 20% equity interests, respectively.

The key financial data prepared by Dazhong Green Mobility for the years ended December 31, 2024 and December 31, 2025 and for the eight months ended August 31, 2026, prepared according to the Chinese accounting standards for business enterprises, are as follows:

| | **Year ended December 31, 2024** *(RMB)* (audited) | **Year ended December 31, 2025** *(RMB)* (audited) | **Eight months ended August 31, 2026** *(RMB)* (audited) |
|---|---|---|---|
| Profit/(Loss) before taxation | 73,400 | 454,200 | (332,600) |
| Profit/(Loss) after taxation | 70,500 | 434,700 | (337,500) |

As at August 31, 2026, the audited total assets and net assets of Dazhong Green Mobility were RMB29,833,400 and RMB20,167,600, respectively.

Upon completion of the Capital Increase, Dazhong Green Mobility will remain a non-wholly owned subsidiary of the Company, and its financial performance will still be consolidated into the financial statements of the Group.

## REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT

The main business of the Company is providing utility services. Closely encompassing its new energy development strategy, the Company endeavours to advance the construction of charging stations and actively explores the pathways to going green under the "carbon peaking and carbon neutral" objectives, is the investment and operation platform for the Company's charging station projects. The Capital Increase of RMB20,000,000 is intended to be used for charging station construction and equipment procurement, station operation, and replenishment of working capital.

The Directors, including the independent non-executive Directors, but excluding Mr. Yang Guoping and Mr. Liang Jiawei who are required to abstain from voting, are of the view that the Capital Increase Agreement was entered into on normal commercial terms or better and its terms are fair and reasonable, and the Capital Increase is in the interests of the Company and its shareholders as a whole.

## INFORMATION ON THE PARTIES

### Information on the Company

The principal business of the Company is the provision of public utility services. It also engages in strategic and financial investments in associated companies in public utility and other industries. Dazhong Business Management is the single largest shareholder of the Company, ultimately held by Shanghai Dazhong Business Management Employee Co., Ltd Employee Stock Ownership Committee. Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee comprises individual members, including employees of Dazhong Business Management, employees of the Company and employees of Dazhong Transportation (Group) Co., Ltd. (a company limited by shares incorporated in the PRC, whose A shares (stock code: 600611. SH) and B shares (stock code: 900903.SH) are listed on the Shanghai Stock Exchange). As of the date of this Announcement, the largest beneficial owner of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee is Mr. Yang Guoping, who holds 9.55% beneficial ownership of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee. Except as disclosed above, there is no person who directly or indirectly holds more than 5% beneficial ownership of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee.

### Information on Dazhong Business Management

Dazhong Business Management is a limited liability company incorporated in the PRC on March 10, 1995. Dazhong Business Management's principal business includes taxi operation services, investment management services, investment consulting services and auto parts sales. Dazhong Business Management is ultimately held by Shanghai Dazhong Business Management Employee Co., Ltd Employee Stock Ownership Committee. For details of the ultimate beneficial owner of Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee, please see the section "Information on the Company" above.

### Information on Dazhong Run Logistics

Dazhong Run Logistics is a limited liability company incorporated in the PRC on March 19, 1999. Dazhong Run Logistics is a non-wholly owned subsidiary of the Company, mainly engaged in domestic freight forwarding, and international freight forwarding by sea, land and air. Dazhong Run Logistics is 80% and 20% owned by the Company and Dazhong Business Management respectively, is a non-wholly owned subsidiary of the Company, while the single largest shareholder of the Company is Dazhong Business Management, which is ultimately held by Shanghai Dazhong Business Management Employee Co., Ltd Employee Stock Ownership Committee. For details of the ultimate beneficial owner of Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee, please see the section "Information on the Company" above.

**Information on Dazhong Green Mobility**

Dazhong Green Mobility is a limited liability company incorporated on September 11, 2024 in the PRC, mainly engaged in operation of charging stations for new energy vehicles, with all operating stations currently located in Shanghai, including Wenshui Road Station, Jiangdong Road Station, Songjiang International Convention Centre Station, Qingpu Dazhong Driving School Station, Caoan Highway Station, Dongge Road Station and CheWei Space. Immediately prior to the Capital Increase, Dazhong Green Mobility was 80% and 20% owned by Dazhong Run Logistics and Dazhong Business Management respectively, and Dazhong Run Logistics is 80% and 20% owned by the Company and Dazhong Business Management respectively, is a non-wholly owned subsidiary of the Company, while the single largest shareholder of the Company is Dazhong Business Management, which is ultimately held by Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee. For details of the ultimate beneficial owner of Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee, please see the section "Information on the Company" above.

## IMPLICATIONS OF THE LISTING RULES

At the date of this announcement, Dazhong Run Logistics is a non-wholly owned subsidiary of the Company. Dazhong Business Management is a substantial shareholder of the Company, is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Capital Increase Agreement constitute a connected transaction of the Company. As the highest applicable percentage ratio in respect of the transactions contemplated under the Capital Increase Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under the Capital Increase Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement.

## DEFINITIONS

In this Announcement, unless as otherwise indicated in the context, the following words have the following meanings assigned thereto:

| | |
|---|---|
| "Board" | The Board of Directors of the Company |
| "Capital Increase" or "This Capital Increase" | the subscription of the newly increased registered capital of RMB20,000,000 in Dazhong Green Travel by the Company in cash of RMB20,000,000 pursuant to the Capital Increase Agreement |
| "Capital Increase Agreement" | the agreement entered into by the Company, Dazhong Green Mobility, Dazhong Run Logistics and Dazhong Business Management on November 6, 2026 in relation to the capital increase in Dazhong Green Mobility |

| | |
|---|---|
| "Company" | Shanghai Dazhong Public Utilities (Group) Co., Ltd. a joint stock company incorporated in the PRC with limited liability on January 1, 1992, whose A Shares were listed on the Shanghai Stock Exchange (stock code: 600635.SH) on March 4, 1993, and whose H shares were listed the main board of the Hong Kong Stock Exchange (stock code: 1635) on December 5, 2016 |
| "Dazhong Business Management" | Shanghai Dazhong Business Management Co., Ltd, a limited liability company incorporated in the PRC on 10 March 1995, the single largest shareholder and a substantial shareholder of the Company |
| "Dazhong Green Mobility" | Shanghai Dazhong Green Mobility New Energy Development Co., Ltd, a limited liability company incorporated in the PRC on September 11, 2024, which was held as to 80% and 20% equity interests by Dazhong Run Logistics and Dazhong Business Management, respectively, immediately prior to the Capital Increase |
| "Dazhong Run Logistics" | Shanghai Dazhong Run Logistics Co., Ltd, a limited liability company incorporated in the PRC on March 19, 1999, a non-wholly-owned subsidiary of the Company |
| "Director(s)" | The director(s) of the Company |
| "Group" | The Company and its subsidiaries collectively |
| "Hong Kong Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange |
| "PRC" | The People's Republic of China which, for the purposes of this announcement, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region of the PRC and Taiwan region |
| "RMB" | Renminbi, the lawful currency of the PRC |

| | |
|---|---|
| "substantial shareholder(s)" | has the meaning ascribed to it in the Listing Rules |
| "%" | Percentage |

By order of the Board
**Shanghai Dazhong Public Utilities (Group) Co., Ltd.**
*Chairman of the Board*
**YANG Guoping**

Shanghai, PRC
November 6, 2026

*As of the date of this Announcement, executive Directors are Mr. YANG Guoping, Mr. LIANG Jiawei and Mr. WANG Baoping; the non-executive Directors are Mr. ZHAO Yeqing and Mr. JIN Yongsheng; and the independent non-executive Directors are Mr. JIANG Guofang, Ms. LI Yingqi, Mr. YANG Ping and Mr. ZHENG Wei.*

* *For identification purpose only*

According to the valuation report, relevant details are set forth as follows:

**Applicability Analysis of Valuation Methods**

The valuer analyzed the applicability of the income approach, market approach and asset-based approach and their derivative methods based on the valuation purpose, subject of appraisal, value type and data collection results, before choosing the valuation method. Given that the primary business of the evaluated entity is the operation of charging stations for new energy vehicles, its revenue consists of income on charging service fee and "star-rating subsidy" income from government subsidy received by various charging stations pursuant to policies. However, in terms of profit composition, its profitability relies primarily on star-rated subsidies, and the charging service business has not yet formed a major profit contribution.

According to the "Notice on Issuing the Measures of Shanghai for Encouraging the Development and Support of Battery Charging and Swapping Facilities for Electric Vehicles" (Hu Fa Gai Gui Fan [2025] No. 3, "charging shall be subsidized based on the station service quality evaluation grade from the implementation date of these Measures", and "these Measures shall be implemented from April 1, 2025, with a validity period of 5 years".

The management of the Company (the "**Management**") considered that (1) under current policies, the appraised entity can continuously receive the aforesaid subsidy income within the validity period of the policy, but considering the development of the new energy vehicle and charging/swapping industry, the continuation of such policies after expiration is uncertain; and (2) the charging service business is the main source of profits for charging stations operation and has not yet achieved profitability therefore the Management is unable to make accurate estimations on whether its profit-making model is sustainable and whether the profitability can reach a reasonable level.

Therefore, under the circumstances that the profitability of the evaluated entity highly depends on policy-related subsidies, and the future profit-making model, income level and risks commensurate therewith of the charging service business are difficult to reasonably determine and quantify, the preconditions for applying the income approach valuation are not met. Based on the above analysis, this appraisal adopts the asset-based approach and market approach for valuation.

The market approach involves appraising the value of a subject using by using comparable references in the open market. Since there are certain differences in transaction background and other aspects among the transaction cases selected under the market approach, it is objectively difficult to precisely quantify such differences.

Under such circumstances, adopting the asset-based approach can reasonably reflect the value of entire shareholders' equity of the appraised entity in a more targeted and accurate manner than the market approach. Therefore, the valuation conclusion of the asset-based approach was ultimately adopted for this valuation.

**Subject, Scope and Limitations of Appraisal and Source of Underlying Information**

The valuation subject of this assessment is the value of all shareholders' equity of Dazhong Green Mobility.

The financial statements of Dazhong Green Mobility as at the valuation benchmark date have been audited by BDO China Shu Lun Pan Certified Public Accountants LLP, which issued an auditor's report "BDO Report [2026] No. ZA15378". The scope of this valuation covers all audited assets and liabilities of Dazhong Green Mobility.

The valuation conclusion was derived according to the purpose, assumptions and qualifications, basis, method and procedure indicated in the asset appraisal report, and is valid only when the aforesaid purpose, basis, assumptions and qualifications exist, serving solely for the purpose of this valuation.

**Valuation Conclusion**

By adopting the asset-based approach to evaluate the value of all shareholders' equity of Dazhong Green Mobility indicates the book value of entire shareholder equity in Dazhong Green Mobility as at the valuation benchmark date is RMB20,167,600, while the appraised value is RMB20,424,800, the appreciation is RMB257,200, and the appreciation rate is 1.28%. Specifically, the book value of total assets is RMB29,833,400, and the appraised value RMB30,090,600, the appreciation is RMB257,200, and the appreciation rate is 0.86%. The book value of total liabilities is RMB9,665,800, and the appraised value RMB9,665,800, indicating no change in value.

Appraisal of the value of entire shareholders' equity in Dazhong Green Mobility using the market approach indicates that the book value of entire shareholders' equity in Dazhong Green Mobility as at the valuation benchmark date is RMB20,167,600, while the appraised value is RMB21,180,000, the appreciation is RMB1,012,400, and the appreciation rate is 5.02%.

Appraisal of the value of entire shareholders' equity in Dazhong Green Mobility using the asset-based approach is RMB20,424,800, which is RMB755,200 lower than the appraised value of entire shareholders' equity in Dazhong Green Mobility calculated under the market approach, which is RMB21,180,000.

The reason for difference in valuation results using different valuation approaches are mainly that different valuation methods consider asset values from different perspectives. The asset-based approach estimates the value from the perspective of current reconstruction of various assets of Dazhong Green Mobility; the market approach calculates the value from the perspective of current comparable market price, leading to discrepancies in valuation results using various appraisal approaches.

According to the "Code of Practice for Asset Appraisal — Enterprise Value", when using multiple appraisal approaches on the same subject of appraisal, appraisal conclusion shall be formed in a qualitative or quantitative manner in conjunction with the purpose of appraisal and the quality and quantity of data used by different appraisal approaches.

The market approach evaluates the value of the valuation subject by using comparable references in the open market. Since there are certain differences in transaction background and other aspects among the transaction cases selected under the market approach, it is objectively difficult to precisely quantify such differences.

Under such circumstances, adopting of the asset-based approach can reasonably reflect the value of entire shareholders' equity of the appraised entity in a more targeted and accurate manner than the market approach, therefore this appraisal ultimately adopts the appraisal conclusion derived using the asset-based approach.

Therefore, the appraisal results derived using the asset-based approach are taken as the appraisal conclusion on the value of entire shareholders' equity in Dazhong Green Mobility. The value of entire shareholders' equity in Dazhong Green Mobility is appraised as RMB20,424,831.65.

**Specific Application of the Asset-based Approach**

The appraisers used the appraisal approaches applicable to the appraised assets and liabilities to appraise various assets and liabilities of Dazhong Green Mobility respectively. The appraised value of entire shareholders' equity of Dazhong Green Mobility is determined by aggregating the appraised values of various assets of Dazhong Green Mobility and then deducting the appraised value of liabilities.

**Valuation Assumptions**

***(I) Basic Assumptions***

*1. Transaction Assumption*

The transaction assumption assumes that all assets to be evaluated are already in the process of transaction, and the asset valuer conducts value evaluation by simulating the market based on the transaction conditions of the assets. The transaction assumption is the most fundamental assumption precedent to the conduct of asset appraisal.

2. *Open Market Assumption*

   The open market assumption is an assumption about the market conditions that an asset is intended to enter into and how the asset will be affected under such market conditions. Open market refers to fully developed and flawless market conditions and a competitive market with willing buyers and sellers, where buyers and sellers are on an equal status and both have the opportunity and time to acquire sufficient market information, and the transaction between the two sides is always conducted under the freewill, reasonable, unforced or unrestricted conditions. The open market assumption is based on the ability of assets to be openly traded on markets.

3. *Going Concern Assumption*

   The going concern assumption presumes that the appraised entity can legitimately sustain its business operations in its present state under the existing conditions of assets and resources and within a foreseeable future operating period, without any material adverse change in its operating status.

4. *Current Usage Assumption*

   The current usage assumption presumes that an asset will be continuously used as per the current purpose. Firstly, it is assumed that the asset within the scope of appraisal are being used and then assumes that it will continue to be used for the current purpose and in the current manner, without regard to conversion of the asset usage or the best conditions for utilization.

***(II) General Assumptions***

1. It's assumed that there will be no unforeseeable material adverse change in external economic environments such as the currently applicable national laws, macroeconomic situation, financial and industry policies after the reference date of appraisal, nor there will be any significant impact resulting from other force majeure and unforeseeable factors.

2. No consideration is given to the possible mortgages or guarantees on the appraised entity and its assets in the future, or the effects of such factors as possible increased price resulting from special manners of transactions on the appraisal conclusion.

3. It's assumed that there is no substantial change in the socioeconomic environment in which the place of the appraised entity is located and fiscal and tax policies such as tax items and rates enforced therein, and that the credit policy and financial policies such as interest rate and exchange rate will remain substantially stable.

4. The present and future business operations of the appraised entity comply with laws and regulations and conform to relevant provisions contained in its business license and articles of association.

***(III) Special Assumptions for Appraisal using the Market Approach***

1. It's assumed that the relevant financial data of comparable companies are true and reliable;

2. The transaction markets on which comparable transactions occurred are all effective markets, whose transaction prices are fair and valid;

3. Both comparable transactions and the appraised entity can continue in operations according to the business model, business structure and capital structure publicly disclosed at the time of transaction;

4. It's assumed that transactions are all open, equal, voluntary and fair transactions, except as otherwise indicated;

5. The asset appraisers selected comparison dimensions and indicators only based on publicly disclosed information about comparable transactions, without regard to the effects of other non-public matters on the value of the appraised entity;

6. No consideration is given to the effects that special manners of transaction might have on the appraisal conclusion.

**Valid Period of Valuation Report**

From the valuation benchmark date (i.e., August 31, 2026) to August 30, 2027.