

PROPERTY VALUATION



Prepared for

FUJING HOLDINGS CO., LIMITED

In respect of

**Valuations of various properties located in
The People's Republic of China**

Valuation Date : 31 December 2023
Report Date : 20 March 2024
Our Reference : G3047/Q26592/REOS(REBV)22031P/6329(R1)F(R1)/V0388

20 March 2024

The Directors
Fujing Holdings Co., Limited
Huanhu North Road South
Nanbu Village South, Rizhuang Town
Laixi, Qingdao
Shandong Province
The People's Republic of China

Dear Sirs,

INSTRUCTIONS

We refer to the instructions from Fujing Holdings Co., Limited (the “**Company**”) for us to value the real properties held/leased by the Company and/or its subsidiaries (together referred to as the “**Group**”) located in the People's Republic of China (the “**PRC**”). We confirm that we have conducted inspections, made relevant enquiries and obtained such further information, as we consider necessary for the purpose of providing you with our opinion of the market values of the real properties as at 31 December 2023 (the “**valuation date**”).

BASIS OF VALUATION

Our valuations of the real properties have been based on the market value, which is defined by The Hong Kong Institute of Surveyors as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”. The market value is also understood as the value of an asset or liability estimated without regard to cost of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

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PROPERTY CATEGORISATIONS

In the course of our valuations, the portfolio of the real properties are categorised into the following groups:

- Group I — Real property held by the Group for occupation in the PRC
- Group II — Real property held by the Group for owner-occupation/investment in the PRC
- Group III — Real property leased by the Group for occupation in the PRC
- Group IV — Real property held by the Group for investment in the PRC

VALUATION METHODOLOGIES

In valuing the real properties in Groups I, II & IV, we have adopted the Depreciated Replacement Cost Approach. Depreciated replacement cost is defined as “the aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality and the new replacement cost of the buildings and other site works, from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environmental factors, etc.; all of these might result in the existing real property being worth less to the undertaking in occupation than would a new replacement”. This basis has been used due to the lack of an established market upon which to base comparable transactions, which generally furnishes the most reliable indication of values for assets without a known used market. This opinion of value is subject to adequate profitability of the business compared to the value of the total assets employed. Where appropriate, we have also adopted the Investment Approach by taking into account the current passing rent of the real property being held under existing tenancy with due allowance for the reversionary value of the real property.

In valuing the real property in Group III leased by the Group, we are of the opinion that it has no commercial value either because of its non-assignability in the market or there are prohibitions against subletting and/or assignment contained in the respective lease(s) and/or tenancy agreement(s) or the lack of marketable and substantial profit rents.

TITLE INVESTIGATION

We have been provided with copies and/or extracts of title documents/tenancy agreements and have been advised by the Group that no further relevant documents have been produced. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendment documents, which may not appear on the copies handed to us. In the course of our valuations, we have relied upon the advice and information given by the Group’s PRC legal advisers (the “**PRC Legal Advisers**”) — Hylands Law Firm (北京浩天(濟南)律師事務所) regarding the title of the real properties located in the PRC. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the real properties are sold in the market in their existing states without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to affect the values of the real properties. In addition, no account has been taken of any option or right of pre-emption concerning or effecting the sale of the real properties and no forced sale situation in any manner is assumed in our valuations.

In valuing the real properties, we have relied on the advice given by the Group that the Group has valid and enforceable title to the real properties which are freely transferable, and has free and uninterrupted rights to use the same, for the whole of the unexpired term granted subject to the payment of annual Government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

VALUATION CONSIDERATIONS

The site inspections were conducted by Ms. Yu Feng-lin (a holder of BSc degree, Linyi University) in April 2020. We have inspected the real properties externally and where possible, the interior of the real properties. In the course of our inspections, we did not note any serious defects. However, no structural surveys have been made. We are, therefore, unable to report whether the real properties are free from rot, infestation or any other structural defects. No tests were carried out on any of the services.

In the course of our valuations, we have relied to a considerable extent on the information given by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, completion dates of buildings, particulars of occupancy, site/floor areas, identifications of the real properties and other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the site/floor areas in respect of the real properties but have assumed that the site/floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation report are based on information contained in the documents provided to us by the Group and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Group and we have relied on your confirmation that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information for us to reach an informed view.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the real properties or for any expenses or taxation, which may be incurred in effecting a sale.

Unless otherwise stated, it is assumed that the real properties are free from encumbrances, restrictions and outgoing of an onerous nature, which could affect their values.

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Our valuations have been prepared in accordance with The HKIS Valuation Standards (2020 Edition) published by The Hong Kong Institute of Surveyors, The RICS Valuation — Global Standards published by The Royal Institution of Chartered Surveyors (“RICS”) and the International Valuation Standards (IVS) published by The International Valuation Standards Council.

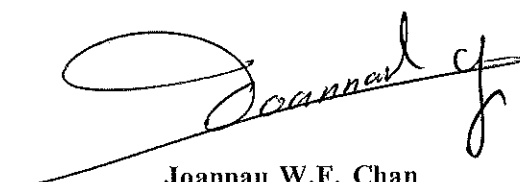
Our valuations have been prepared under the generally accepted valuation procedures and are in compliance with the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

REMARKS

Unless otherwise stated, all money amounts stated herein are in Renminbi (RMB) and no allowances have been made for any exchange transfer.

Our Summary of Values and Valuation Report are attached herewith.

Yours faithfully,
For and on behalf of
BMI APPRAISALS LIMITED



Joannau W.F. Chan
BSc., MSc., MRICS, MHKIS, RPS(GP)
Senior Director

Note: Ms. Joannau W.F. Chan is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 30 years' experience in valuations of real properties in Hong Kong and over 24 years' experience in valuations of real properties in the PRC.

SUMMARY OF VALUES

No.	Real property	Market Value in existing state as at 31 December 2023 RMB
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Group I — Real property held by the Group for occupation in the PRC

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|----|--|---------------------|
| 1. | A land parcel together with various structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC | No Commercial Value |
|----|--|---------------------|

位於中國山東省
青島萊西市日莊鎮南埠村之
一塊土地及若干構築物

Sub-total: Nil

Group II — Real property held by the Group for owner-occupation/investment in the PRC

- | | | |
|----|---|------------|
| 2. | A land parcel together with 1 building and various structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC | 97,300,000 |
|----|---|------------|

位於中國山東省
青島萊西市日莊鎮南埠村之
一塊土地、一幢房屋及若干構築物

Sub-total: 97,300,000

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No.	Real property	Market Value in existing state as at 31 December 2023 RMB
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Group III — Real property leased by the Group for occupation in the PRC

3.	A land parcel together with various buildings and structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC	No Commercial Value
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位於中國山東省
青島萊西市日莊鎮南埠村之
一塊土地、若干房屋及構築物

Sub-total: Nil

Group IV — Real property held by the Group for investment in the PRC

4.	A land parcel together with 8 buildings located at Dongzhuangtou Village Dianbu Town Laixi, Qingdao Shandong Province The PRC	23,700,000
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中國山東省
青島萊西市
店埠鎮東莊頭村之
一塊土地及八幢房屋

Sub-total: 23,700,000

Grand-total: 121,000,000

VALUATION REPORT

Group I — Real property held by the Group for occupation in the PRC

No.	Real property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2023
				RMB
1.	A land parcel together with various structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC 位於中國山東省青島萊西市日莊鎮南埠村之一塊土地及若干構築物	The real property comprises a land parcel with a site area of approximately 128,334 sq.m. together with various structures completed in various stages between 2017 and 2018 erected thereon. The land use rights of the real property have been allocated for agricultural related, agricultural tourism and electronic business uses.	The real property together with Real property Nos. 2 (excluding the leased portion) & 3 as a whole was occupied by the Group for agricultural use.	No Commercial Value (Nil)

Notes:

- The real property is located within Nanbu Village, Rizhuang Town, Laixi. It takes about 2 hours' drive from the real property to Qingdao town centre.
- Pursuant to a Land Reservation Agreement (土地預約協議) entered into between the People's Government of Rizhuang Town of Laixi (萊西市日莊鎮人民政府) ("Rizhuang Government") and Qingdao Fujing Agriculture Development Company Limited (青島富景農業開發有限公司) ("Fujing Agriculture") (previously known as 青島富景農業生態開發有限公司) dated 17 June 2006, it was agreed that Fujing Agriculture can acquire a land parcel within the boundary of Rizhuang Town of Laixi having a site area of approximately 250 mu (final area subject to measurement by Lands and Resources Bureau) at a unit price of RMB26,000 per mu (inclusive of compensation for the ancillary structures erected thereon, young crop compensation, land grant premium and any other fees for the land grant procedure) for a term of 50 years for ecological and agricultural development uses and the former will be responsible to apply for a State-owned Agricultural Land Use Rights Certificate for Fujing Agriculture on or before the end of December 2006.
- Pursuant to a State-owned Land Use Rights Certificate (國有土地使用權證), Xi Guo Yong (2013) Di No. 0041 (西國用(2013)第0041號), issued by the Municipal Government of Laixi (萊西市人民政府) ("Laixi Government") dated 22 May 2013, the land use rights of the real property with a site area of approximately 181,792 sq.m. have been allocated to Qingdao Changyang Investment and Development Co., Ltd. (青島昌陽投資開發有限公司) ("Changyang"), which is a company wholly-owned by a subordinate department of the Laixi Government.
- Pursuant to a Land Use Situation Explanatory Statement (用地情況說明) issued by the Lands and Resources Bureau of Laixi (萊西市國土資源局) dated 7 August 2015, it was confirmed that Fujing Agriculture had been using the real property for ecological & agricultural development use; such land use has not been changed and in compliance with relevant planning regulations.

5. Pursuant to a Notice of Optimisation Measures for the Management of State-owned land at Chanzhi Reservoir (關於做好產芝水庫部分國有土地管理的通知) (the “Notice”) issued by the Office of Laixi Government (the “Office”) dated 5 March 2020, the Office agreed that Rizhuang Government is responsible for the daily management of the allocated land parcel of the real property with a site area of approximately 192.5 mu situated in Chanzhi Reservoir held by Changyang.
6. Pursuant to a Supplemental Agreement (補充協議) entered into between Rizhuang Government and Fujing Agriculture dated 23 March 2020, the former explicitly confirmed that Fujing Agriculture has been physically using and occupying the land parcel of the real property with a site area of approximately 192.5 mu in accordance with the Land Reservation Agreement dated 17 June 2006 as referred to in Note 2 and further confirmed that there is no violation of any relevant laws and regulations; Fujing Agriculture can within the term (i.e. from 2006 to 2056) of the said Land Reservation Agreement continually use and occupy the land parcel of the real property for the purposes of vegetable plantation, crop plantation, sale, vegetable & crop study as well as agricultural leisure tourism, e-commerce, etc.; Fujing Agriculture can properly use the land parcel by means like sub-leasing; and Fujing Agriculture has already settled all the fees in accordance with the Land Leasing Agreement and therefore, Fujing Agriculture is not obliged to pay any other fees for the land parcel.
7. Pursuant to a Confirmation Letter (確認函) issued by Changyang dated 11 December 2020, Changyang reconfirmed and agreed that Fujing Agriculture is entitled to use and occupy the allocated land parcel of the real property for the period from 22 May 2013 (i.e. the date of the State-owned Land Use Rights Certificate as referred to in Note 3) to 5 March 2020 (i.e. the date of the Notice as referred to in Note 5); Changyang irrevocably agreed with the use of the land by Fujing Agriculture and the arrangement stipulated under the Notice of Optimisation Measures for the Management of State-owned land at Chanzhi Reservoir (i.e. the Notice) as referred to in Note 5 and the Supplemental Agreement Fujing Agriculture entered into with the Rizhuang Government as referred to in Note 6.
8. Pursuant to a Confirmation Letter (確認函) issued by the Natural Resources Bureau of Laixi (萊西市自然資源局) (the “Bureau”) dated 22 March 2021, it is confirmed that Fujing Agriculture can use the allocated land parcel for agricultural use for the period as stated in the Land Reservation Agreement as referred to in Note 2 and the Supplemental Agreement as referred to in Note 6; Fujing Agriculture has fully settled the relevant fees as agreed in the Land Reservation Agreement to the Government of Rizhuang Town (日莊鎮政府) (“Rizhuang Town Government”) by installments from 2006 to 2018 without any breach of contract; Fujing Agriculture is entitled to keep using the allocated land parcel without further payment upon obtaining authorisation from the Rizhuang Town Government and receiving no objection from Changyang. The chance for Fujing Agriculture to be stopped from using such allocated land parcel is minimal but if it so happens, the Bureau, Rizhuang Town Government and Changyang would reasonably compensate on any suffered loss incurred by Fujing Agriculture; the Bureau would strictly execute all the arrangements regarding the allocated land parcel as stipulated in the Notice as referred to in Note 5, and it would not have any objection to the terms and conditions as agreed in the aforesaid Land Reservation Agreement and Supplemental Agreement. There is no illegal act and/or violation of any regulations for the utilisation of the land parcel of the real property by Fujing Agriculture.
9. For the valuation of the real property, we have attributed no commercial value to the land parcel together with various structures erected thereon because of the allocated land nature. However, for reference purpose, we are of the opinion that the depreciated replacement cost of these structures (excluding the land) as at the valuation date would be in the sum of about RMB30,000,000 assuming all relevant title certificates have been obtained and such structures could be freely transferred in the market.

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10. The opinion of the PRC Legal Advisers contains, *inter alia*, that as per the authorisation given by Laixi Government, confirmation letters issued by the Bureau and Changyang, it is confirmed that Fujing Agriculture is entitled to use and occupy the land parcel of the real property in accordance with the Land Reservation Agreement and the Supplemental Agreement; the land parcel of the real property can be used and occupied for agricultural purpose; the utilisation of the land parcel by Fujing Agriculture has not changed the land use of such land parcel and is in compliance with relevant planning regulations; there is no illegal act and/or violation of any regulations for the utilisation of the land parcel of the real property by Fujing Agriculture; and if Fujing Agriculture continues to utilise such land parcel for agricultural development use in accordance with the terms of the Land Reservation Agreement entered into with Rizhuang Government, the chance of being asked by Laixi Land Administration Department to return the relevant land is relatively low.
11. Fujing Agriculture is an indirect wholly-owned subsidiary of the Company.

VALUATION REPORT

Group II — Real property held by the Group for owner-occupation/investment in the PRC

No.	Real property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2023 RMB
2.	A land parcel together with 1 building and various structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC 位於中國山東省青島萊西市日莊鎮南埠村之一塊土地、一幢房屋及若干構建築物	The real property comprises a land parcel (Land Plot No. 105-005-0177) with a site area of approximately 214,804 sq.m. together with 1 building and various structures completed in various stages between 2012 and 2019 erected thereon. As advised, the total gross floor area of the ancillary building for agricultural use of the real property is approximately 82 sq.m. The land use rights of the real property have been granted for a term expiring on 27 June 2058 for agricultural use.	Portion of land parcel of the real property with a site area of approximately 100 mu is leased to an independent third party for a term commencing on 1 April 2019 and expiring on 31 March 2024 at an annual rent of RMB240,000 for seedling planting use. The remaining portion of the land parcel together with Real property Nos. 1 & 3 as a whole was occupied by the Group for agricultural use.	97,300,000 (Ninety-seven Million and Three Hundred Thousand Only)

Notes:

- The real property is located within Nanbu Village, Rizhuang Town, Laixi. It takes about 2 hours' drive from the real property to Qingdao town centre.
- Pursuant to a State-owned Land Use Rights and Collectively-owned Land Leasing Rights Transfer Contract (國有土地使用權及集體土地租賃權轉讓合同) dated 15 December 2010 and a Supplemental Agreement dated 26 December 2010 entered into between an independent third party and Qingdao Fujing Agriculture Development Company Limited (青島富景農業開發有限公司) ("Fujing Agriculture"), the State-owned land parcel of the real property with plantation land of approximately 262.5 mu and fish pond of approximately 60 mu together with the ancillary facilities erected thereon were contracted to be transferred to Fujing Agriculture at a total consideration of RMB25,044,665.
- Pursuant to a State-owned Land Use Rights Certificate (國有土地使用權證), Xi Guo Yong (2015) Di No. 0122 (西國用(2015)第0122號), issued by the Municipal Government of Laixi (萊西市人民政府) dated 18 June 2015, the land use rights of the real property with a site area of approximately 214,804 sq.m. have been granted to Fujing Agriculture for a term expiring on 27 June 2058 for agricultural use.

4. Pursuant to a Certificate (證明) issued by the Natural Resources Bureau of Laixi (萊西市自然資源局) (the “Bureau”) dated 11 December 2023, it was confirmed that Fujing Agriculture had legally obtained the State-owned Land Use Rights Certificate for the land parcel of the real property in accordance with the relevant land management laws, administrative rules & regulations and the requirements under certain normative documents; since its incorporation, Fujing Agriculture had been using the land parcel of the real property in compliance with the relevant PRC laws related to land management & town planning, administrative rules & regulations and the requirements under certain normative documents; there is no penalty arising from the violations from such relevant laws, rules & regulations and requirements under normative documents; and there is no argument & dispute with the Bureau.
5. Pursuant to a Rizhuang Ji Di Land Leasing Contract (日莊基地土地租賃合同) (the “Leasing Contract”) entered into between Fujing Agriculture and an independent third party dated 20 March 2019, portion of the land parcel of the real property with a site area of approximately 100 mu is leased to the independent third party for a period from 1 April 2019 to 31 March 2024 at an annual rent of RMB240,000 for seedling planting use.
6. Pursuant to a Mortgage Contract (抵押合同) and a Floating Capital Loan Contract (流動資金借款合同), entered into between Fujing Agriculture and Qingdao Rural Commercial Bank Company Limited Laixi Branch (青島農村商業銀行股份有限公司萊西支行) both dated 31 March 2021, the former has mortgaged the land use rights of the real property to the latter as security for a loan amount of RMB10,000,000 for a period from 31 March 2021 to 20 March 2022 and subsequently both parties entered into a Loan Extension Agreement (借款展期協議) dated 30 March 2022 to extent the mortgage of the land use rights of the real property at a loan amount of RMB10,000,000.

Upon expiration of the above Contracts and Agreement, both parties entered into a Floating Loan Contract (流動資金借款合同) dated 14 February 2023 to extent the mortgage of the land use rights of the real property at a loan amount of RMB10,000,000.

7. For the building of the real property, we have not been provided with any title certificate.
8. The opinion of the PRC Legal Advisers contains, *inter alia*, the followings:
 - a. The land use rights of the real property are legally and solely vested in Fujing Agriculture which is entitled to occupy, use, lease, transfer, mortgage and dispose of the land use rights of the real property within the term and land use stated in the State-owned Land Use Rights Certificate as referred to in Note 3;
 - b. Fujing Agriculture had erected on the real property some production facilities for agricultural use and some ancillary facilities for storage, management and accommodation uses which are classified as facility agriculture (“Facility Agriculture”) (設施農業) and such Facility Agriculture had been filed on record under relevant land management regulations. Such Facility Agriculture belongs to kind of agricultural internal structure adaptation which is not non-agricultural construction and its nature conforms to the agriculture land use of the real property, and therefore it is not necessary to Fujing Agriculture to apply for any title certificates. Fujing Agriculture is entitled to occupy, use, lease, transfer, mortgage and dispose of such Facility Agriculture legally in accordance with the relevant PRC laws and regulations;

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- c. The Leasing Contract as referred to in Note 5 is legally valid and binding on the contracting parties. According to the requirements under relevant regulations, the Leasing Contract should be registered under relevant government department. However, the registration had not been done. But such non-registration will not affect the validity of the Leasing Contract. This is because the Leasing Contract had been in effect in 2019 which was before the signing of the Mortgage Contract in 2020. As a result, the mortgage will not affect the validity of the Leasing Contract. Fijing Agriculture cannot further lease out the portion of the real property under the Leasing Contract. The Leasing Contract is in compliance with relevant laws, regulations and commercial practice. There is no signs of breach of contract nor any possibility to a breach of contract or to rescind the contract; and
 - d. Apart from the mortgage with the relevant restrictions and the leasing situation detailed above, there is no other material encumbrance or third party interest on the land use rights of the real property and there is also no title defect or any material legal dispute over the land use rights of the real property.
9. Fijing Agriculture is an indirect wholly-owned subsidiary of the Company.

VALUATION REPORT

Group III — Real property leased by the Group for occupation in the PRC

No.	Real property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2023
				RMB
3.	A land parcel together with various buildings and structures located at Nanbu Village Rizhuang Town Laixi, Qingdao Shandong Province The PRC 位於中國山東省青島萊西市日莊鎮南埠村之一塊土地、若干房屋及構築物	The real property comprises a land parcel with a site area of approximately 34,467 sq.m. together with 5 buildings and various structures completed in various stages between 2012 and 2018 erected thereon. As advised, the total gross floor area of the ancillary buildings for agricultural use of the real property is approximately 1,171 sq.m. The real property is collectively-owned land leased for agricultural use.	The real property together with Real property Nos. 1 & 2 (excluding the leased portion) as a whole was occupied by the Group for agricultural use.	No Commercial Value (Nil)

Notes:

- The real property is located within Nanbu Village, Rizhuang Town, Laixi. It takes about 2 hours' drive from the real property to Qingdao town centre.
- Pursuant to a State-owned Land Use Rights and Collectively-owned Land Leasing Rights Transfer Contract (國有土地使用權及集體土地租賃權轉讓合同) entered into between an independent third party and Qingdao Fujing Agriculture Development Company Limited (青島富景農業開發有限公司) ("Fujing Agriculture") dated 15 December 2010, the collectively-owned land parcel of the real property with a site area of approximately 51.7 mu were contracted to be leased to Fujing Agriculture for a term of 50 years at a total rent of RMB2,000,000.
- Pursuant to a Land Leasing Contract (土地租賃合同) entered into between the People's Government of Rizhuang Town (日莊鎮人民政府) ("Rizhuang Government") and Fujing Agriculture dated 27 December 2010, the former leased the real property with a site area of approximately 51.7 mu to the latter for vegetable plantation use.
- Pursuant to a Certificate regarding the confirmation for the circulation of land contract and operation (關於確認承包經營土地流轉的證明) issued by Village Committee of Nanbu Village (the "Committee") dated 18 August 2015, it was confirmed that the Committee agreed the leasing of the land parcel of the real property by Rizhuang Government to Fujing Agriculture.
- For the buildings erected thereon the real property, we have not been provided with any title certificates.

6. For the valuation of the real property, we have attributed no commercial value to it together with the buildings and structures erected thereon because of its non-assignability in the market or there are prohibitions against subletting and/or assignment contained in the respective leasing contract and/or tenancy agreement or the lack of substantial and marketable profit rents. However, for reference purpose, we are of the opinion that the depreciated replacement cost of these buildings and structures (excluding the land) as at the valuation date would be in the sum of about RMB12,700,000 assuming all relevant title certificates have been obtained and such buildings and structures could be freely transferred in the market.
7. The opinion of the PRC Legal Advisers contains, *inter alia*, the followings:
 - a. The Land Leasing Contract as referred to in Note 3 is legally valid and binding on the contracting parties and Fujing Agriculture has settled the total rent under such contract; the town planning allows the land parcel of the real property for agricultural use; Fujing Agriculture has not changed the agricultural land use of the real property for other non-agricultural development; the use of such leased real property by Fujing Agriculture has been in compliance with the relevant rules and regulations; and there is no legal risks; and
 - b. Under the Civil Code of the People's Republic of China, it is stipulated that the length of leasing period cannot exceed 20 years and the period exceeding such 20-year period will become invalid. However, Fujing Agriculture can legally and validly lease and use the real property within the 20-year period and has the priority right to renew the lease upon the expiration of such 20-year period for continued use of the real property. As a result, there is no adverse impact to the normal operation and production of Fujing Agriculture. The Land Leasing Contract is in compliance with relevant laws, regulations and commercial practice. There is no sign of breach of contract nor any possibility to a breach of contract or to rescind the contract.
8. Fujing Agriculture is an indirect wholly-owned subsidiary of the Company.

VALUATION REPORT

Group IV — Real property held by the Group for investment in the PRC

No.	Real property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2023 RMB
4.	A land parcel together with 8 buildings located at Dongzhuangtou Village, Dianbu Town Laixi, Qingdao Shandong Province The PRC 中國山東省青島萊西市店埠鎮東莊頭村之一塊土地及八幢房屋	The real property comprises a land parcel (Land Plot No. 108-003-0050) with a site area of approximately 25,679 sq.m. together with 8 buildings completed in about 2011 erected thereon. The total gross floor area ("GFA") of the buildings of the real property is approximately 12,283.67 sq.m. The land use rights of the real property have been granted for a term expiring on 14 October 2045 for industrial and cold storage uses.	The real property is leased to an independent third party for a term commencing on 1 September 2022 and expiring on 31 August 2024 for cold storage and related uses.	23,700,000 (Twenty-three Million and Seven Hundred Thousand Only)

Notes:

- The real property is located within Dongzhuangtou Village, Dianbu Town, Laixi. It takes about 1.5 hours' drive from the real property to Qingdao town centre.
- Pursuant to an Immovable Property Title Certificate (不動產權證), Lu (2022) Lai Xi Shi Bu Dong Chan Quan Di No. 0006589, issued by the Lands and Resources Bureau of Laixi (萊西市國土資源局) dated 9 September 2022, the land use rights of the real property with a site area of approximately 25,679 sq.m. and the building ownership rights of 8 buildings of the real property with a total GFA of approximately 12,283.67 sq.m. are legally vested in Qingdao Fujing Agriculture Development Company Limited (青島富景農業開發股份有限公司) ("Fujing Agriculture") for a term expiring on 14 October 2045 for industrial and cold storage uses.
- Pursuant to a Fujing Agriculture Dianbu Cold Storage Leasing Agreement (青島富景農業開發有限公司店埠冷庫租賃使用協議) ("Leasing Agreement") entered into between Fujing Agriculture and an independent third party dated 20 August 2014, the real property was leased to the independent third party for a period from 1 September 2014 to 31 August 2015 at an annual rent of RMB200,000 for cold storage and related uses. A Supplementary Agreement was signed by both parties dated 26 August 2015 to extend the leasing period up to 31 August 2017. A further Supplementary Agreement was signed by both parties dated 21 August 2017 to extend the leasing period up to 31 August 2020 at a revised annual rent of RMB400,000. On 16 August 2020, the Laixi Housing and Urban & Rural Construction Bureau (萊西市住房和城鄉建設局) issued a Laixi Building Leasing Registration Certificate (萊西市房屋租賃登記備案證明), Xi Fang Zu Zi Di No. 2020004 (西房租字第2020004號).

Upon expiration of the above leasing period, both parties entered into a new Leasing Agreement dated 1 September 2020 for a period from 1 September 2020 to 31 December 2023 at an annual rent of RMB400,000. On 2 November 2020, the Laixi Housing and Urban & Rural Construction Bureau issued a Laixi Building Leasing Registration Certificate, Xi Fang Zu Zi Di No. 2020239 (西房租字第2020239號).

Upon expiration of the above leasing period, both parties entered into a new Leasing Agreement (the “New Leasing Agreement”) dated 1 September 2022 for a period from 1 September 2022 to 31 August 2024 at an annual rent of RMB400,000.

4. Pursuant to a Maximum Mortgage Contract (最高額抵押合同) (the “Mortgage Contract”) entered into between Fujing Agriculture and Bank of China Company Limited Laixi Branch (中國銀行股份有限公司萊西支行) (“BOC Branch”) dated 17 September 2019, Fujing Agriculture has mortgaged the land use rights and building ownership rights of the real property to BOC Branch as guarantee for the loan, trade finance, bank acceptance bill, letter of guarantee, capital business and any other credit business contract as well as their related amendments and supplements between Fujing Agriculture and BOC Branch for the period from 17 September 2019 to 16 September 2022 at a maximum amount of secured debt of RMB10,000,000. Within the aforementioned mortgage period, the mortgagor (i.e. Fujing Agriculture), without obtaining the consent from the mortgagee (i.e. BOC Branch), cannot wholly or partly transfer, lease, lend, investment in kind, alter, construct or any other means to dispose of the mortgaged real property wholly or partly.

Before expiration of the above Mortgage Contract, both parties entered into a Working Capital Loan Contract (流動資金借款合同) and a new Maximum Mortgage Contract (the “New Mortgage Contract”) dated 14 September 2022 to extent the mortgage period from 13 September 2022 to 13 September 2025 at a maximum amount of secured debt of RMB10,000,000.

Both parties further entered into a Credit Limit Agreement (授信額度協議) and a Supplementary Credit Limit Agreement (授信額度補充協議) dated 12 December 2023 and 31 January 2024 respectively, upon expiration of the above Working Capital Loan Contract, the loan period was extended to 6 June 2024, with the same guarantee terms and conditions. Simultaneously, Geng Qi (耿琦) was added as a guarantor, providing the highest mortgage guarantee for the loan.

5. Pursuant to a Certificate (證明) issued by the Natural Resources Bureau of Laixi (the “Bureau”) dated 11 December 2023, it was confirmed that Fujing Agriculture had legally obtained the Immovable Property Title Certificate of the real property in accordance with the relevant land management laws, administrative rules & regulations and the requirements under certain normative documents; since its incorporation, Fujing Agriculture had been using the real property in compliance with the relevant PRC laws related to land management & town planning, administrative rules & regulations and the requirements under certain normative documents; there is no penalty arising from the violations from such relevant laws, rules & regulations and requirements under normative documents; and there is no argument & dispute with the Bureau.
6. Pursuant to copies of various contracts provided by the Group, various decoration and improvement works comprising mainly insulation system, tap water supply system & scaffolding works for the cold storage buildings as well as waterproofing works for the ancillary office buildings have been undertaken at a total contract sum of RMB12,221,389.74 which had been settled on or before the date of valuation. Our valuation has considered such costs incurred up to the date of valuation.
7. The opinion of the PRC Legal Advisers contains, *inter alia*, the following:
 - a. The land use rights and building ownership rights of the real property are legally and solely vested in Fujing Agriculture which is entitled to occupy, use, transfer, lease, mortgage or other means to dispose of the real property within the term as stated in the Immovable Property Title Certificate as referred to in Note 2;

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- b. All of the leasing contract/agreement and supplementary agreements as referred to in Note 3 are legally valid and binding on the contracting parties and they have been registered under relevant government department. The aforementioned leasing relationship had been in effect from 2014, which was well before the signing of the Mortgage Contract in 2019, as a result, the mortgage will not affect the validity of the New Leasing Agreement. Fujing Agriculture cannot further lease out the real property subject to the New Leasing Agreement. The New Leasing Agreement is in compliance with relevant laws, regulations and commercial practice. There is no sign of breach of contract nor any possibility to a breach of contract or to rescind the contract; and
 - c. Apart from the mortgage with the relevant restrictions and the leasing situation detailed above, there is also no other material encumbrance or third party interest on the land use rights and building ownership rights of the real property and there is also no title defect or any material legal dispute over the land use rights and building ownership rights of the real property.
8. Fujing Agriculture is an indirect wholly-owned subsidiary of the Company.

30 November 2023

The Directors
Fujing Holdings Co., Limited
Huanhu North Road South
Nanbu Village South, Rizhuang Town
Laixi, Qingdao
Shandong Province
The People's Republic of China

Dear Sirs,

RE : 3rd Floor, Block 68, No. 85 Beijing East Road, Laixi, Qingdao, Shandong Province, the People's Republic of China (the "PRC") (the "real property")

1. BACKGROUND AND INSTRUCTIONS

We have been instructed by Fujing Holdings Co., Limited (the "Company") to give our opinion on the fairness of the annual rent of the tenancy at 13 February 2021 (which is the date of commencement under 2021 Tenancy Agreement to be detailed in the opinion letter after) of the captioned real property rented by Qingdao Fujing Agriculture Development Company Limited ("Fujing Agriculture") - an indirectly wholly-owned subsidiary of the Company with a connected party of the Company. We are given to understand that our opinion letter is to be used by the Company and / or subsidiaries including Fujing Agriculture (together referred to as the "Group") for reference purpose in connection with the initial public offering of the Group.

We confirm that we have made relevant enquiries and obtained such information as we consider necessary for providing our fair rent opinion of the captioned real property.

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BMI Appraisals Limited 中和邦盟評估有限公司

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2. DESCRIPTION OF THE REAL PROPERTY

Based on the information provided by the Group, the real property comprises the 3rd Floor of a 3-storey office building completed in about 2018. The gross floor area of the real property is approximately 560 square metres. As advised by the Group, the real property has been occupied by the Group for office use.

3. DESCRIPTION OF THE TENANCY

Based on the information and tenancy agreement provided by the Group, the salient details of the tenancy are summarized as below:-

2021 Tenancy Agreement

Landlord	:	Qingdao Yongzheng Real Estate Development Co., Ltd.
Tenant	:	Fujing Agriculture
Annual Rent	:	RMB36,000
Tenancy Term	:	For 2 years from 13 February 2021 to 12 February 2023 (both days inclusive)
Tenant's Obligations	:	The tenant is responsible for the water & electricity charges, management fee, heat supply fee and relevant outgoings.

4. BASIS OF ASSESSMENT

Our assessment of the concerned real property has been based on the market rent, which is defined as "the estimated amount for which a real property, or space within a real property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion."

5. ASSESSMENT METHODOLOGY

We have adopted the comparison approach by reference to comparable market / asking rents in assessing the reasonableness of the annual rent of the real property. This approach rests on the wide acceptance of the market rent as the best indicator and pre-supposes that evidence of relevant rents in the market place can be extrapolated to similar real properties, subject to allowances for variable factors.

6. ASSUMPTIONS AND CONSIDERATIONS

In the course of our assessment, we have assumed that the interior of the real property has been kept in reasonable and decorative conditions commensurate with its building age and designated usage in order for it to command the rent during the tenancy term. We have analyzed comparable / asking rental evidence of similar developments in the surrounding areas. As we are unable to verify the tenancies of these comparable properties, we have assumed that they have been let subject to the usual terms and conditions (unless otherwise stated).

Appropriate adjustments have then been made to account for the differences between the real property and the comparable properties in terms of time, location, floor level and other relevant factors (if appropriate).

For the purpose of our assessment, we have been provided with all the information necessary by the Group for our analysis. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. The Group has also advised us that no material facts have been omitted from the information for us to reach an informed view.

We have further assumed that the 2021 Tenancy Agreement of the real property is legally valid and enforceable under the applicable laws in the PRC and no onerous terms and conditions are included in such tenancy agreement which would materially affect its rental value.

7. OPINION OF THE ANNUAL RENT OF THE REAL PROPERTY UNDER THE TENANCY

Having reviewed the above information and documents, we are of the opinion that the annual rent of the real property at RMB36,000 as at 13 February 2021 under the 2021 Tenancy Agreement was fair and reasonable under the then prevailing market situation as at such date of commencement.

Yours faithfully,

For and on behalf of

BMI APPRAISALS LIMITED



Ms. Joannau W.F. Chan

BSc., MSc., MRICS, MHKIS, RPS(GP)

Senior Director

JC/kl/jh

VAL8134

30 November 2023

The Directors

Fujing Holdings Co., Limited

Huanhu North Road South

Nanbu Village South, Rizhuang Town

Laixi, Qingdao

Shandong Province

The People's Republic of China

Dear Sirs,

RE : 3rd Floor, Block 68, No. 85 Beijing East Road, Laixi, Qingdao, Shandong Province, the People's Republic of China (the "PRC") (the "real property")

1. BACKGROUND AND INSTRUCTIONS

We have been instructed by Fujing Holdings Co., Limited (the "Company") to give our opinion on the fairness of the annual rent of the tenancy at 13 February 2023 (which is the date of commencement under 2023 Tenancy Agreement to be detailed in the opinion letter after) of the captioned real property rented by Qingdao Fujing Agriculture Development Company Limited ("Fujing Agriculture") - an indirectly wholly-owned subsidiary of the Company with a connected party of the Company. We are given to understand that our opinion letter is to be used by the Company and / or subsidiaries including Fujing Agriculture (together referred to as the "Group") for reference purpose in connection with the initial public offering of the Group.

We confirm that we have made relevant enquiries and obtained such information as we consider necessary for providing our fair rent opinion of the captioned real property.

.../2

BMI Appraisals Limited 中和邦盟評估有限公司

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2. DESCRIPTION OF THE REAL PROPERTY

Based on the information provided by the Group, the real property comprises the 3rd Floor of a 3-storey office building completed in about 2018. The gross floor area of the real property is approximately 560 square metres. As advised by the Group, the real property has been occupied by the Group for office use.

3. DESCRIPTION OF THE TENANCY

Based on the information and tenancy agreement provided by the Group, the salient details of the tenancy are summarized as below:-

2023 Tenancy Agreement

Landlord	:	Qingdao Yongzheng Real Estate Development Co., Ltd.
Tenant	:	Fujing Agriculture
Annual Rent	:	RMB36,000
Tenancy Term	:	For 1 year from 13 February 2023 to 12 February 2024 (both days inclusive)
Tenant's Obligations	:	The tenant is responsible for the water & electricity charges, management fee, heat supply fee and relevant outgoings.

4. BASIS OF ASSESSMENT

Our assessment of the concerned real property has been based on the market rent, which is defined as "the estimated amount for which a real property, or space within a real property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion."

5. ASSESSMENT METHODOLOGY

We have adopted the comparison approach by reference to comparable market / asking rents in assessing the reasonableness of the annual rent of the real property. This approach rests on the wide acceptance of the market rent as the best indicator and pre-supposes that evidence of relevant rents in the market place can be extrapolated to similar real properties, subject to allowances for variable factors.

6. ASSUMPTIONS AND CONSIDERATIONS

In the course of our assessment, we have assumed that the interior of the real property has been kept in reasonable and decorative conditions commensurate with its building age and designated usage in order for it to command the rent during the tenancy term. We have analyzed comparable / asking rental evidence of similar developments in the surrounding areas. As we are unable to verify the tenancies of these comparable properties, we have assumed that they have been let subject to the usual terms and conditions (unless otherwise stated).

Appropriate adjustments have then been made to account for the differences between the real property and the comparable properties in terms of time, location, floor level and other relevant factors (if appropriate).

For the purpose of our assessment, we have been provided with all the information necessary by the Group for our analysis. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. The Group has also advised us that no material facts have been omitted from the information for us to reach an informed view.

We have further assumed that the 2023 Tenancy Agreement of the real property is legally valid and enforceable under the applicable laws in the PRC and no onerous terms and conditions are included in such tenancy agreement which would materially affect its rental value.

7. OPINION OF THE ANNUAL RENT OF THE REAL PROPERTY UNDER THE TENANCY

Having reviewed the above information and documents, we are of the opinion that the annual rent of the real property at RMB36,000 as at 13 February 2023 under the 2023 Tenancy Agreement was fair and reasonable under the then prevailing market situation as at such date of commencement.

Yours faithfully,

For and on behalf of

BMI APPRAISALS LIMITED



Ms. Joannau W.F. Chan

BSc., MSc., MRICS, MHKIS, RPS(GP)

Senior Director

JC/kl/jh

VAL8135

20 March 2024

The Directors
Fujing Holdings Co., Limited
Huanhu North Road South
Nanbu Village South, Rizhuang Town
Laixi, Qingdao
Shandong Province
The People's Republic of China

Dear Sirs,

RE : 3rd Floor, Block 68, No. 85 Beijing East Road, Laixi, Qingdao, Shandong Province, the People's Republic of China (the "PRC") (the "real property")

1. BACKGROUND AND INSTRUCTIONS

We have been instructed by Fujing Holdings Co., Limited (the "Company") to give our opinion on the fairness of the annual rent of the tenancy at 13 February 2024 (which is the date of commencement under 2024 Tenancy Agreement to be detailed in the opinion letter after) of the captioned real property rented by Qingdao Fujing Agriculture Development Company Limited ("Fujing Agriculture") - an indirectly wholly-owned subsidiary of the Company with a connected party of the Company. We are given to understand that our opinion letter is to be used by the Company and / or subsidiaries including Fujing Agriculture (together referred to as the "Group") for reference purpose in connection with the initial public offering of the Group.

We confirm that we have made relevant enquiries and obtained such information as we consider necessary for providing our fair rent opinion of the captioned real property.

2. DESCRIPTION OF THE REAL PROPERTY

Based on the information provided by the Group, the real property comprises the 3rd Floor of a 3-storey office building completed in about 2018. The gross floor area of the real property is approximately 560 square metres. As advised by the Group, the real property has been occupied by the Group for office use.

3. DESCRIPTION OF THE TENANCY

Based on the information and tenancy agreement provided by the Group, the salient details of the tenancy are summarized as below:-

2024 Tenancy Agreement

Landlord	:	Qingdao Yongzheng Real Estate Development Co., Ltd.
Tenant	:	Fujing Agriculture
Annual Rent	:	RMB36,000
Tenancy Term	:	For 1 year from 13 February 2024 to 12 February 2025 (both days inclusive)
Tenant's Obligations	:	The tenant is responsible for the water & electricity charges, management fee, heat supply fee and relevant outgoings.

4. BASIS OF ASSESSMENT

Our assessment of the concerned real property has been based on the market rent, which is defined as "the estimated amount for which a real property, or space within a real property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion."

5. ASSESSMENT METHODOLOGY

We have adopted the comparison approach by reference to comparable market / asking rents in assessing the reasonableness of the annual rent of the real property. This approach rests on the wide acceptance of the market rent as the best indicator and pre-supposes that evidence of relevant rents in the market place can be extrapolated to similar real properties, subject to allowances for variable factors.

6. ASSUMPTIONS AND CONSIDERATIONS

In the course of our assessment, we have assumed that the interior of the real property has been kept in reasonable and decorative conditions commensurate with its building age and designated usage in order for it to command the rent during the tenancy term. We have analyzed comparable / asking rental evidence of similar developments in the surrounding areas. As we are unable to verify the tenancies of these comparable properties, we have assumed that they have been let subject to the usual terms and conditions (unless otherwise stated).

Appropriate adjustments have then been made to account for the differences between the real property and the comparable properties in terms of time, location, floor level and other relevant factors (if appropriate).

For the purpose of our assessment, we have been provided with all the information necessary by the Group for our analysis. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. The Group has also advised us that no material facts have been omitted from the information for us to reach an informed view.

We have further assumed that the 2024 Tenancy Agreement of the real property is legally valid and enforceable under the applicable laws in the PRC and no onerous terms and conditions are included in such tenancy agreement which would materially affect its rental value.

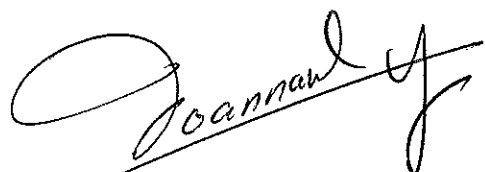
7. OPINION OF THE ANNUAL RENT OF THE REAL PROPERTY UNDER THE TENANCY

Having reviewed the above information and documents, we are of the opinion that the annual rent of the real property at RMB36,000 as at 13 February 2024 under the 2024 Tenancy Agreement was fair and reasonable under the then prevailing market situation as at such date of commencement.

Yours faithfully,

For and on behalf of

BMI APPRAISALS LIMITED



Ms. Joannau W.F. Chan

BSc., MSc., MRICS, MHKIS, RPS(GP)

Senior Director

JC/kl

VAL8174