

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

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

If you have sold or transferred all your shares in **Shineroad International Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



### Shineroad International Holdings Limited

欣融國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 1587)

## CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to the Independent Board Committee  
and the Independent Shareholders**



Alliance Capital Partners Limited  
同人融資有限公司

A letter from the Board is set out on pages 6 to 23 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 24 to 25 of this circular. A letter from Alliance Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 26 to 43 of this circular.

A notice convening the EGM of the Company to be held at 3rd Floor, Meeting Room, 666 Jindou Road, Shanghai, the PRC on Friday, 27 December 2024 at 10:00 a.m. is set out on pages 50 to 52 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 Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.shineroad.com](http://www.shineroad.com)). Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM or any adjournment if they so wish.

11 December 2024

---

## CONTENTS

---

	<i>Pages</i>
<b>Definitions . . . . .</b>	<b>1</b>
<b>Letter from the Board. . . . .</b>	<b>6</b>
<b>Letter from the Independent Board Committee. . . . .</b>	<b>24</b>
<b>Letter from Alliance Capital. . . . .</b>	<b>26</b>
<b>Appendix — General Information . . . . .</b>	<b>44</b>
<b>Notice of EGM. . . . .</b>	<b>50</b>

---

## DEFINITIONS

---

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company;
“Company”	Shineroad International Holdings Limited, a company incorporated in Cayman Islands and the Shares of which are traded on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	an extraordinary general meeting of the Company to be convened 3rd Floor, Meeting Room, 666 Jindou Road, Shanghai, the PRC on Friday, 27 December 2024 at 10:00 a.m. for the Independent Shareholders to consider and approve by poll, amongst other things, the New Master Supply Agreements and the New Master Purchase Agreements;
“Existing Hi-Road Master Purchase Agreement”	a master purchase agreement dated 25 October 2021 entered into among Shineroad Food (as purchaser) and Hi-Road and Hi-morse Food (as sellers) in relation to the purchase of food flavourings, chocolate, dairy-based compound, fruit jam and other food ingredients and additives on a non-exclusive basis for a term of three years from 1 January 2022 to 31 December 2024;

---

## DEFINITIONS

---

“Existing Hi-Road Master Supply Agreement”	a master supply agreement dated 25 October 2021 entered into among Shineroad Food (as seller) and Hi-Road and Hi-morse Food (as purchasers) in relation to the sale and/or supply of sucrose esters, vanillin, condensed milk, frozen cream and other food ingredients and additives on a non-exclusive basis for the term of three years from 1 January 2022 to 31 December 2024;
“Existing Master Purchase Agreements”	the Existing Hi-Road Master Purchase Agreement and Existing Teaheals Master Purchase Agreement;
“Existing Teaheals Master Purchase Agreement”	a master purchase agreement dated 25 October 2021 entered into among Shineroad Food (as purchaser) and Teaheals (as seller) in relation to the purchase of tea powder, herbal powder and fruit powder products on a non-exclusive basis for a term of three years from 1 January 2022 to 31 December 2024;
“Existing Teaheals Master Supply Agreement”	a master supply agreement dated 25 October 2021 entered into among Shineroad Food (as seller) and Teaheals (as purchaser) in relation to the sale and/or supply of non-dairy creamer, cheese powder, resistant dextrin and other food ingredients and additives on a non-exclusive basis for the term of three years from 1 January 2022 to 31 December 2024;
“Group”	the Company together with its subsidiaries;
“Hi-morse Food”	上海海象食品配料有限公司 (Shanghai Hi-morse Food Additives Co., Ltd.*), a limited company established in the PRC which was wholly-owned by Hi-Road as at 25 October 2021, and was merged and absorbed by Hi-Road as at the Latest Practicable Date;

---

## DEFINITIONS

---

“Hi-Road”	上海海融食品科技股份有限公司 (Shanghai Hi-Road Food Technology Co., Ltd.*), a joint-stock company incorporated in the PRC whose shares are listed on ChiNext of the Shenzhen Stock Exchange which is owned as to 43.2% by Mr. Huang and 28.8% by Mr. Huang Haihu (the brother of Mr. Huang);
“Hi-Road Group”	Hi-Road and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors, established to advise the Independent Shareholders in respect of the New Master Supply Agreements and the New Master Purchase Agreements;
“Independent Financial Adviser” or “Alliance Capital”	Alliance Capital Partners Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Master Supply Agreements and the New Master Purchase Agreements;
“Independent Shareholders”	shareholders of the Company other than Mr. Huang and his associates;
“Independent Third Party(ies)”	party(ies) (together with its ultimate beneficial owner) who is not a connected person of the Company;
“Latest Practicable Date”	6 December 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rule Governing the Listing of Securities on the Stock Exchange;

---

## DEFINITIONS

---

“Mr. Huang”	Mr. Huang Haixiao (黃海曉), the chairman of the Board, an executive Director and a controlling shareholder of the Company;
“New Hi-Road Master Purchase Agreement”	the new master purchase agreement dated 8 November 2024 entered into among Shineroad Food (as purchaser) and Hi-Road (as seller) in relation to the purchase of food flavourings, chocolate, dairy-based compound, fruit jam and other food ingredients and additives on a non-exclusive basis for a term of three years from 1 January 2025 to 31 December 2027;
“New Hi-Road Master Supply Agreement”	a master supply agreement dated 8 November 2024 entered into among Shineroad Food (as seller) and Hi-Road (as purchaser) in relation to the sale and/or supply of sucrose esters, vanillin, condensed milk, frozen cream and other food ingredients and additives on a non-exclusive basis for the term of three years from 1 January 2025 to 31 December 2027;
“New Master Purchase Agreements”	the New Hi-Road Master Purchase Agreement and New Teaheals Master Purchase Agreement;
“New Master Supply Agreements”	the New Hi-Road Master Supply Agreement and New Teaheals Master Supply Agreement;
“New Teaheals Master Purchase Agreement”	a new master purchase agreement dated 8 November 2024 entered into among Shineroad Food (as purchaser) and Teaheals (as seller) in relation to the purchase of tea powder, herbal powder and fruit powder products on a non-exclusive basis for a term of three years from 1 January 2025 to 31 December 2027;

---

## DEFINITIONS

---

“New Teaheals Master Supply Agreement”	a new master Supply agreement dated 8 November 2024 entered into among Shineroad Food (as seller) and Teaheals (as purchaser) in relation to the sale and/or supply of non-dairy creamer, cheese powder, resistant dextrin and other food ingredients and additives on a non-exclusive basis for the term of three years from 1 January 2025 to 31 December 2027;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	Share(s) of HK\$0.01 each in the capital of the Company;
“Shareholders”	holders of the Share(s);
“Shineroad Food”	Shineroad Food Holdings Limited (欣融食品控股有限公司), a limited company established in Hong Kong and an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Teaheals”	浙江頂亨生物科技有限公司 (Zhejiang Teaheals Bio-tech Co., Ltd.*), a limited company established in the PRC and is wholly-owned by Mr. Huang;
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong; and
“%”	per cent.

*In this circular, the English names of the PRC entities are translation of their Chinese names and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*

\* For identification purposes only

---

## LETTER FROM THE BOARD

---



### Shineroad International Holdings Limited

### 欣融國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1587)**

*Executive Directors:*

Mr. Huang Haixiao (*Chairman*)

Ms. Huang Xin Rong

Mr. Dai Yihui

*Registered Office:*

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

*Independent non-executive Directors:*

Mr. Tan Wee Seng

Mr. Chan Ka Kit

Mr. Meng Yuecheng

*Principal place of Business in Hong Kong:*

Room 1603, 16/F

China Building

29 Queen's Road Central

Central, Hong Kong

11 December 2024

*To the Shareholders*

Dear Sir or Madam,

## CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

### INTRODUCTION

Reference is made to the Company's announcement dated 8 November 2024 in relation to, among others, the New Master Supply Agreements and the New Master Purchase Agreements.

The purposes of this circular are to provide you with (i) further details of the New Master Supply Agreements and the New Master Purchase Agreements (including the proposed annual caps); (ii) a letter from the Independent Board Committee with its advice and recommendations to the Independent Shareholders in respect of the New Master Supply Agreements and the New Master Purchase Agreements; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the New Master



---

## LETTER FROM THE BOARD

---

Supply Agreements and the New Master Purchase Agreements; and (iv) the notice of the EGM, to consider and, if thought fit, to approve the New Master Supply Agreements and the New Master Purchase Agreements, and the proposed annual caps and the continuing connected transactions contemplated thereunder.

### CONTINUING CONNECTED TRANSACTIONS

#### (I) New Master Supply Agreements

Reference is made to the Company's announcement dated 25 October 2021 and the circular dated 30 November 2021 in relation to, among others, the Existing Master Supply Agreements. In view that each of the Existing Master Supply Agreements will expire on 31 December 2024, Shineroad Food (as seller) entered into the New Master Supply Agreements with Hi-Road (as purchaser to the New Hi-Road Master Supply Agreement) and Teaheals (as purchaser to the New Teaheals Master Supply Agreement), respectively, on 8 November 2024.

Save for the identities of the purchasers, the products to be sold by the Group and condition(s) precedent to the agreements, the terms of each of the New Hi-Road Master Supply Agreement and the New Teaheals Master Supply Agreement are substantial the same, the principal terms of each of the New Master Supply Agreements are as follows:

<b>Date</b>	8 November 2024 (after trading hours)		
<b>Parties</b>	Seller	—	Shineroad Food, a wholly-owned subsidiary of the Company
	Purchasers	—	<i>For New Hi-Road Master Supply Agreement:</i> Hi-Road
		—	<i>For New Teaheals Master Supply Agreement:</i> Teaheals

---

## LETTER FROM THE BOARD

---

**Subject Matter**

The seller agreed that it and/or its subsidiaries will sell and/or supply the following products to the respective purchaser(s) on a non-exclusive basis during the term of the relevant agreement:

*For New Hi-Road Master Supply Agreement:*

Sucrose esters, vanillin, condensed milk, frozen cream and other food ingredients and additives for manufacturing cream

*For New Teaheals Master Supply Agreement:*

non-dairy creamer, cheese powder, resistant dextrin and other food ingredients and additives for manufacturing tea beverage

**Term**

From 1 January 2025 to 31 December 2027

**Condition(s)  
Precedent**

*For New Hi-Road Master Supply Agreement:*

Effectiveness of the agreement is conditional upon (i) approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules; and (ii) approval by Hi-Road's board of directors, independent directors and/or shareholders (if applicable) pursuant to its articles of association and the listing rules of ChiNext of the Shenzhen Stock Exchange.

As at the Latest Practicable Date, all of the above conditions have not been fulfilled.

*For New Teaheals Master Supply Agreement:*

Effectiveness of the agreement is conditional upon approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules.

As at the Latest Practicable Date, the above condition has not been fulfilled.

---

## LETTER FROM THE BOARD

---

**Pricing policy**

The selling prices of the relevant products under the New Master Supply Agreements are calculated with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price.

The aforesaid “market price” shall be determined with reference to the selling prices of the same product offered by the seller (and/or its subsidiaries) to its third-party customers based on normal commercial terms and in the ordinary and usual course of business. The Group will compare the selling price offered to the relevant purchaser(s) with not less than three selling prices offered to its independent third-party customers with the same or comparable products with similar specifications (such as similar quantity, length of credit period and delivery method, etc.) to ensure the selling price offered to the relevant purchaser(s) are at the rates no more favourable than those offered to the Group’s independent third-party customers.

**Payment manner**

The selling price, payment time and method, and other specific terms or conditions (if any) shall be fixed by relevant parties in the purchase order on a case-by-case basis.

**(II) New Master Purchase Agreements**

Reference is made to the Company’s announcement dated 25 October 2021 and the circular dated 30 November 2021 in relation to the Existing Master Purchase Agreements. In view that each of the Existing Master Purchase Agreements will expire on 31 December 2024, Shineroad Food (as purchaser) entered into the New Master Purchase Agreements with Hi-Road (as seller to the New Hi-Road Master Purchase Agreement) and Teaheals (as seller to the New Teaheals Master Purchase Agreement), respectively, on 8 November 2024.

Save for the identities of the sellers, the products to be purchased by the Group and condition(s) precedent to the agreements, the terms of each of the New Hi-Road Master Purchase Agreement and the New Teaheals Master Purchase Agreement are substantial the same, the principal terms of which are as follows:

**Date**

8 November 2024 (after trading hours)

---

## LETTER FROM THE BOARD

---

**Parties**

Purchaser — Shineroad Food

Seller — *For New Hi-Road Master Purchase Agreement:*  
Hi-Road

— *For New Teaheals Master Purchase Agreement:*  
Teaheals

**Subject Matter**

The purchaser agreed that it and/or its subsidiaries will purchase the following products from the respective seller(s) on a non-exclusive basis during the term of the relevant agreement:

*For New Hi-Road Master Purchase Agreement:*

Food flavourings, chocolate, milk base, fruit jam and other food ingredients and additives for manufacturing plant protein drinks

*For New Teaheals Master Purchase Agreement:*

Tea powder, herbal powder and fruit powder products

**Term**

From 1 January 2025 to 31 December 2027

**Condition(s)  
Precedent**

*For New Hi-Road Master Purchase Agreement:*

Effectiveness of the agreement is conditional upon (i) approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules; and (ii) approval by Hi-Road's board of directors, independent directors and/or shareholders (if applicable) pursuant to its articles of association and the listing rules of ChiNext of the Shenzhen Stock Exchange.

As at the Latest Practicable Date, all of the above conditions have not been fulfilled.

---

## LETTER FROM THE BOARD

---

*For New Teaheals Master Purchase Agreement:*

Effectiveness of the agreement is conditional upon approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules.

As at the Latest Practicable Date, this condition has not been fulfilled.

### **Pricing policy**

The purchase prices of the relevant products under each of the New Master Purchase Agreements are calculated with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price.

The aforesaid "market price" shall be determined with reference to:

- (i) the prevailing market price of the same or similar product obtained from independent third-party suppliers in the same or neighbourhood regions based on normal commercial terms and in the ordinary and usual course of business. The procurement team of the Group shall communicate with at least three independent third-party suppliers to obtain their quotation slips after discussing with them on their production capacity, supply and demand situation in the market and the recent transaction prices with them. The prices of the products under the New Teaheals Master Purchase Agreement will adopt this method;

---

## LETTER FROM THE BOARD

---

- (ii) if (i) is not applicable, the selling prices of the same or similar products obtained from independent third-party suppliers in the PRC based on normal commercial terms and in the ordinary and usual course of business. The procurement team of the Group shall communicate with at least three independent third-party suppliers to obtain their quotation slips after discussing with them on their production capacity, supply and demand situation in the market and the recent transaction prices with them (if applicable). In the event that that is not applicable, the procurement team will research on sourcing information websites, primarily 1688.com, an online B2B trading platform under the Alibaba Group with a major focus in the PRC domestic market and a widespread of users (including sellers which offer same or similar products across the country), which allows the Group to source the transaction price of the relevant products more effectively and comprehensively. The prices of food flavourings and other food ingredients and additives for manufacturing plant protein drinks under the New Hi-Road Master Purchase Agreement will adopt this method; or
- (iii) if both (i) and (ii) are not available, the selling prices of the same product offered by the seller(s) to its third-party customers based on normal commercial terms and in the ordinary and usual course of business. The procurement team of the Group shall obtain the selling prices of the same or similar products from the seller(s) to their third-party customers by requiring the standard pricing lists from the seller(s) upon commercial negotiations. The products provided from the seller(s) to the Group are at the rates no less favourable than those offered to its/their respective third-party customers. The prices of chocolate, milk base and fruit jam under the New Hi-Road Master Purchase Agreement will adopt this method.

### **Payment manner**

The purchase price, payment time and method, and other specific terms or conditions (if any) shall be fixed by relevant parties in the purchase order on a case-by-case basis.

## LETTER FROM THE BOARD

### ANNUAL CAPS

#### (I) New Master Supply Agreements

The historical transaction amounts from the sales by the Group for the two years ended 31 December 2023 and the eight months ended 31 August 2024, and annual caps for the three years ending 31 December 2024 under the Existing Master Supply Agreements are as follows:

##### *Historical transaction amounts:*

	For the year ended 31 Dec 2022 <i>RMB'000</i>	For the year ended 31 Dec 2023 <i>RMB'000</i>	For the eight months ended 31 Aug 2024 <i>RMB'000</i>
Existing Hi-Road Master Supply Agreement	26,805.5	18,376.1	16,203.5
Existing Teaheals Master Supply Agreement	12.8	30.0	3.6
<b>Total</b>	<b>26,818.3</b>	<b>18,406.1</b>	<b>16,207.1</b>

##### *Historical annual caps:*

	For the year ended 31 Dec 2022 <i>RMB'000</i>	For the year ended 31 Dec 2023 <i>RMB'000</i>	For the year ending 31 Dec 2024 <i>RMB'000</i>
Existing Hi-Road Master Supply Agreement	30,528	42,739	59,835
Existing Teaheals Master Supply Agreement	30	45	67.5
<b>Total</b>	<b>30,558</b>	<b>42,784</b>	<b>59,902.5</b>

---

## LETTER FROM THE BOARD

---

The proposed annual caps for the transactions contemplated under the New Master Supply Agreements for the three years ending 31 December 2027 are set out below:

***Proposed annual caps:***

	For the year ended 31 Dec		
	2025	2026	2027
	RMB'000	RMB'000	RMB'000
New Hi-Road Master Supply Agreement	29,867.9	35,841.4	43,009.7
New Teaheals Master Supply Agreement	30.0	45.0	67.5
<b>Total</b>	<b>29,897.9</b>	<b>35,886.4</b>	<b>43,077.2</b>

The proposed annual caps under the New Hi-Road Master Supply Agreement were estimated based on:

- (i) historical transaction amounts; and
- (ii) based on currently available information, it is expected that Hi-Road Group will further purchase approximately RMB9.7 million products from the Group pursuant to the Existing Hi-Road Master Supply Agreement, rendering the aggregate transaction amount for the year ending 31 December 2024 expected to be approximately RMB25.9 million. Accordingly, during the period from 2022 to 2024, the year-on-year growth rate of the transaction amounts are 80%, -31%, and 41%, respectively. Hi-Road's expected its demand for the food ingredient and additives from the Group for the years from 2025 to 2027 will have a year-on-year growth of 15%, 20% and 20%, respectively.

The proposed annual caps under the New Teaheals Master Supply Agreement were estimated based on the historical transaction amounts.



---

## LETTER FROM THE BOARD

---

### (II) New Master Purchase Agreements

The historical transaction amounts from the purchase by the Group for the two years ended 31 December 2023 and the eight months ended 31 August 2024, and annual caps for the three years ending 31 December 2024 under the Existing Master Purchase Agreements are as follows:

*Historical transaction amounts:*

	For the year ended 31 Dec 2022 <i>RMB'000</i>	For the year ended 31 Dec 2023 <i>RMB'000</i>	For the eight months ended 31 Aug 2024 <i>RMB'000</i>
Existing Hi-Road Master Purchase Agreement	3,197.2	7,940.6	3,139.3
Existing Teaheals Master Purchase Agreement	<u>21,213.5</u>	<u>25,424.0</u>	<u>14,680.4</u>
<b>Total</b>	<b><u>24,410.7</u></b>	<b><u>33,364.6</u></b>	<b><u>17,819.7</u></b>

*Historical annual caps:*

	For the year ended 31 Dec 2022 <i>RMB'000</i>	For the year ended 31 Dec 2023 <i>RMB'000</i>	For the year ending 31 Dec 2024 <i>RMB'000</i>
Existing Hi-Road Master Purchase Agreement	13,000	21,600	29,320
Existing Teaheals Master Purchase Agreement	<u>39,700</u>	<u>55,580</u>	<u>77,812</u>
<b>Total</b>	<b><u>52,700</u></b>	<b><u>77,180</u></b>	<b><u>107,132</u></b>

---

## LETTER FROM THE BOARD

---

The proposed annual caps for the transactions contemplated under the New Master Purchase Agreements for the three years ending 31 December 2027 are set out below:

***Proposed annual caps:***

	For the year ended 31 Dec		
	2025	2026	2027
	RMB'000	RMB'000	RMB'000
New Hi-Road Master Purchase Agreement	15,390.0	19,111.0	23,725.2
New Teaheals Master Purchase Agreement	<u>29,626.1</u>	<u>35,551.3</u>	<u>42,661.5</u>
<b>Total</b>	<b><u>45,016.1</u></b>	<b><u>54,662.3</u></b>	<b><u>66,386.7</u></b>

The proposed annual caps under the New Hi-Road Master Purchase Agreement were estimated based on:

- (i) historical transaction amounts; and
- (ii) the expected year-on-year growth rate of approximately 24% from 2025 to 2027 based on the Company's projection on future customers' demand.

The proposed annual caps under the New Teaheals Master Purchase Agreement were estimated based on:

- (i) historical transaction amounts; and
- (ii) the market for tea powder, herbal powder and fruit powder has been in a favorable development phase in recent years and the Group's sales of such products are relatively stable. The period from 2022 to 2024 is the period of product consolidation and stability, and the aggregate transaction amount for the year ending 31 December 2024 expected to be similar to the previous year at around RMB24 million to RMB25 million. Based on the Company's analysis on the market, the market is expected grow in years 2025 to 2027, especially with beverage customers. It is expected the period from 2025 to 2027 will record a further growth at a year-on-year growth rate of 20%.

---

## LETTER FROM THE BOARD

---

### REASONS FOR AND BENEFITS OF ENTERING INTO THE CONTINUING CONNECTED TRANSACTIONS

#### (I) New Master Supply Agreements

The Group is a distributor in the food ingredients and additives distribution industry with a focus on supplying food ingredients and food additives to food manufacturers in Asia. During the past years, the Group had entered into transactions where it supplied various products to Hi-Road Group and Teaheals.

The food ingredients and additives to be supplied by the Group under the New Hi-Road Master Supply Agreement are mainly sucrose esters, vanillin, condensed milk and frozen cream which would be used by Hi-Road Group in their manufacturing process as a raw material. The food ingredients and additives to be supplied by the Group under the Teaheals Master Supply Agreement are mainly, non-dairy creamer, cheese powder, resistant dextrin which would be used by Teaheals in their manufacturing process as a raw material. Since supply of food ingredients and additives is in the ordinary and usual course of business of the Group, the transactions under the New Master Supply Agreements will help to ensure a steady income of the Group.

#### (II) New Master Purchase Agreements

The Group only sources food ingredients and food additives from suppliers and does not involve in production of the products the Group distributed. During the past years, the Group had entered into transactions where it purchased various products from Hi-Road Group and Teaheals.

Having considered the anticipated increase in demand by the Group's customers for the relevant products, the Directors believe that the entering into of the New Master Purchase Agreements is in the interest of the Company and its Shareholders as a whole, as the Group can continue to secure the stable supply of relevant products from them for the Group's businesses at the rates no less favourable than that offered to the Independent Third Parties by them and therefore can maintain the market competitiveness of the Group.

The Directors (excluding independent non-executive Directors whose views will be given after taking into account the advice of Independent Financial Adviser) are of opinion that the entering into the New Master Supply Agreements and the New Master Purchase Agreements and the transactions contemplated thereunder are in the ordinary and usual course of the Group's business, on normal commercial terms and the proposed annual caps thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

---

## LETTER FROM THE BOARD

---

Since (i) Mr. Huang is considered to have material interests in the transactions contemplated under each of the New Master Supply Agreements and the New Master Purchase Agreements, and (ii) Ms. Huang Xin Rong, being the daughter of Mr. Huang, is also deemed to be interested in the aforesaid agreements; both Mr. Huang and Ms. Huang Xin Rong have abstained from voting on the board resolutions for approving the New Master Supply Agreements and the New Master Purchase Agreements.

### INTERNAL CONTROL MEASURES

To ensure prices and payment terms of relevant products or services under the New Master Supply Agreements and the New Master Purchase Agreements are in line with the prevailing market practice, on normal commercial terms, fair and reasonable and no less favourable than available to/from (as the case may be) the Independent Third Parties, and the actual transaction amount will not exceed the proposed annual caps under the respective agreements, the Group will adopt the following internal control measures:

#### **(I) New Master Supply Agreements**

- (i) the business director from the commercial department of the Group will calculate the selling prices with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price as discussed in the paragraph headed “(I) New Master Supply Agreements — Pricing Policy” above;
- (ii) the finance department of the Group will closely monitor the transaction amounts under the New Master Supply Agreements to ensure that the proposed annual caps will not be exceeded. The chief financial officer will review the actual transaction amount quarterly;
- (iii) the independent non-executive Directors will review and confirm whether the transactions under the New Master Supply Agreements are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. They will conduct an annual review of the status of the transactions to ensure the Group has complied with the Listing Rules;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the transaction(s) under the New Master Supply Agreements shall abstain from voting in respect of the resolution(s); and

---

## LETTER FROM THE BOARD

---

- (v) the Company will continue to engage the independent auditors to review the transactions under the New Master Supply Agreements in compliance with the annual reporting and review requirements under the Listing Rules.

### **(II) New Master Purchase Agreements**

- (i) the procurement team of the Group will be responsible for establishing the procedures of purchase prices management, to ensure that the pricing standard conforms to the market principle. The management of the Group will calculate the purchase prices with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price as discussed in the paragraph headed “New Master Purchase Agreements — Pricing basis” above;
- (ii) the head of the supply chain will monitor and review the pricing mechanism for the transactions under the New Master Purchase Agreements to ensure that the prices are determined on normal commercial terms, and report to the product management centre for it to confirm the prices are fair and reasonable. The product management centre will report to the Board on a quarterly basis regarding the actual trading situations and monetary amount of the transactions conducted during the quarter and the estimated amount in the following quarter to facilitate the Board to monitor the actual transaction amount, assess whether the proposed annual caps will be exceeded and approve the coming transactions under the New Master Purchase Agreements;
- (iii) the independent non-executive Directors will review and confirm whether the transactions contemplated under the New Master Purchase Agreements are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. They will conduct an annual review of the status of the transactions under the New Master Purchase Agreements to ensure the Group has complied with the Listing Rules;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the relevant transaction(s) shall abstain from voting in respect of the resolution(s); and
- (v) the Company will continue to engage the independent auditors to review the transactions under the New Master Purchase Agreements in compliance with the annual reporting and review requirements under the Listing Rules.

---

## LETTER FROM THE BOARD

---

### INFORMATION ON THE PARTIES TO THE AGREEMENTS

The Company is an investment holding company incorporated in the Cayman Islands. The Group is one of the leading distributors of food ingredients and food additives and with outstanding and innovative research and development capacity.

Shineroad Food is a company established in Hong Kong with limited liability and wholly-owned by the Company. It is an investment holding company.

#### **Hi-Road and Hi-morse Food**

Hi-Road is a joint-stock company incorporated in the PRC whose shares are listed on ChiNext of the Shenzhen Stock Exchange which is owned as to 43.2% by Mr. Huang and 28.8% by Mr. Huang Haihu (the brother of Mr. Huang).

Hi-Road is principally engaged in research and development, production in its production base and sales of its own brand's products which are mainly used by bakery chain enterprises for making bakery food.

#### **Teaheals**

Teaheals is a company established in the PRC with limited liability which is wholly-owned by Mr. Huang. It principally engages in the research and development, deep-processing, production and sales of agricultural and natural food ingredients, specialising in Matcha tea products.

### LISTING RULES IMPLICATIONS

Mr. Huang is the chairman, executive Director and controlling shareholder of the Company and therefore a connected person of the Company. As at the Latest Practicable Date, each of Hi-Road and Teaheals is owned as to more than 30% by Mr. Huang together with his associates and therefore an associate of Mr. Huang. Accordingly, each of Hi-Road and Teaheals is a connected person of the Company and the transactions under each of the New Master Supply Agreements and the New Master Purchase Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios for the proposed annual caps of the New Master Supply Agreements (aggregated) and the New Master Purchase Agreements (aggregated) exceed 5%, respectively, each of the New Master Supply Agreements and the New Master Purchase Agreements are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

---

## LETTER FROM THE BOARD

---

### EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 50 to 52 of this circular.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Mr. Huang is considered to have material interests in the transactions contemplated under the New Master Supply Agreements and the New Master Purchase Agreements, respectively. Mr. Huang and his associates would therefore abstain from voting on the resolutions to be proposed at the EGM approving each of the aforesaid agreements, the proposed annual caps and the continuing connected transactions contemplated thereunder. As at the Latest Practicable Date, so far as the Directors were aware and based on publicly available information, Mr. Huang was interested in 510,000,000 Shares, representing 75% of the number of Shares in issue as at the Latest Practicable Date.

Save for the aforesaid and to the best knowledge, information and belief of the Company, as at the date of this circular, no other Shareholder has a material interest in each of the New Master Supply Agreements and the New Master Purchase Agreements, and therefore no other Shareholder is required to abstain from voting on the proposed resolutions approving any of the New Master Supply Agreements and the New Master Purchase Agreements, the proposed annual caps and the continuing connected transactions contemplated thereunder.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.shineroad.com](http://www.shineroad.com)). Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

---

## LETTER FROM THE BOARD

---

### CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining Shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 20 December 2024 to Friday, 27 December 2024, both days inclusive, during which period no transfer of Shares will be registered. The record date for such purposes is Friday, 20 December 2024.

In order to be eligible to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Thursday, 19 December 2024.

### RECOMMENDATION

The Directors, including all of the independent non-executive Directors, are of the view that the terms of each of the New Master Supply Agreements and the New Master Purchase Agreements, the proposed annual caps and the transactions contemplated thereunder are fair and reasonable and in the interest of the Group and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolutions in respect of the New Master Supply Agreements and the New Master Purchase Agreements.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 24 to 25 of this circular which contains the recommendations of the Independent Board Committee to the Independent Shareholders regarding the proposed resolutions to approve each of the New Master Supply Agreements and the New Master Purchase Agreements; and (ii) the letter from Alliance Capital set out on pages 26 to 43 of this circular which contains its advice and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of each of the New Master Supply Agreements and the New Master Purchase Agreements.

The Independent Board Committee, having taken into account the advice of Alliance Capital, the Independent Financial Adviser, considers that the terms of each of the New Master Supply Agreements and the New Master Purchase Agreements are in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve each of the New Master Supply Agreements and the New Master Purchase Agreements.



---

## LETTER FROM THE BOARD

---

### FURTHER INFORMATION

Your attention is also drawn to the appendix headed “General Information” to this circular.

Yours faithfully,

By Order of the Board

**Shineroad International Holdings Limited**

**Huang Haixiao**

*Chairman*

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---

*The following is the text of the letter of recommendation, prepared for the purpose of incorporation in the circular, from the Independent Board Committee to the Independent Shareholders regarding the New Master Supply Agreements and the New Master Purchase Agreements, and the proposed annual caps and the continuing connected transactions contemplated thereunder.*



### **Shineroad International Holdings Limited**

**欣融國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1587)**

11 December 2024

*To the Independent Shareholders*

Dear Sir or Madam,

### **CONTINUING CONNECTED TRANSACTIONS**

We refer to the circular of the Company to the Shareholders dated 11 December 2024 (the “Circular”), of which this letter form part. Unless the context requires otherwise, capitalized terms used in this letter will have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders on whether the terms of each of the New Master Supply Agreements and the New Master Purchase Agreements are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

We wish to draw your attention to the letter of advice from Alliance Capital Partners Limited as set out on pages 26 to 43 of the Circular and the letter from the Board as set out on pages 6 to 23 of the Circular.

Having considered the terms of the New Master Supply Agreements and the New Master Purchase Agreements, and the situation of the Company, and the factors and reasons considered by Alliance Capital and its opinion as stated in its letter of advice, we consider that the terms of each of the New Master Supply Agreements and the New Master Purchase Agreements are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---

and the Shareholders as a whole, and accordingly recommend the Independent Shareholders to vote in favour of the ordinary resolutions proposed to approve each of the New Master Supply Agreements and the New Master Purchase Agreements, and the proposed annual caps and the continuing connected transactions contemplated thereunder.

Yours faithfully,

For and behalf of the

**Independent Board Committee**

**Mr. Tan Wee Seng**

*Independent non-executive*

*Director*

**Mr. Chan Ka Kit**

*Independent non-executive*

*Director*

**Mr. Meng Yuecheng**

*Independent non-executive*

*Director*

---

## LETTER FROM ALLIANCE CAPITAL

---

*The following is the full text of the letter of advice from Alliance Capital to the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions for the New Master Supply Agreements and the New Master Purchase Agreements for the purpose of incorporation into this circular.*



**Alliance Capital Partners Limited**  
同人融資有限公司

Alliance Capital Partners Limited  
Room 03, 7/F Worldwide House  
19 Des Voeux Road Central  
Hong Kong

11 December 2024

To the Independent Board Committee and Independent Shareholders

Dear Sir or Madam

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the terms of the New Master Supply Agreements and the New Master Purchase Agreements entered into between the Group and the connected persons.

Mr. Huang is the chairman, executive Director and controlling shareholder of the Company. As each of Hi-Road and Teaheals is owned as to more than 30% by Mr. Huang together with his associates and therefore an associate of Mr. Huang. Accordingly, each of Hi-Road and Teaheals is a connected person of the Company and the transactions under each of the New Master Supply Agreements and the New Master Purchase Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules for the proposed annual cap amounts under each of the category in the New Master Supply Agreements and the New Master Purchase Agreements exceed 5%, the continuing connected transactions under the aforementioned agreements are subject to Independent Shareholders' approval under Chapter 14A of the Listing Rules.

Details of the New Master Supply Agreements and the New Master Purchase Agreements are contained in the Letter from the Board as set out in the circular of the Company dated 11 December 2024 (the "**Circular**"). Capitalized terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

---

## LETTER FROM ALLIANCE CAPITAL

---

An Independent Board Committee comprising all of the independent non-executive Directors has been established to advise the Independent Shareholders on whether the above mentioned agreements with the connected persons are in the ordinary and usual course of business of the Company, on normal commercial terms, and on terms that are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and Shareholders as a whole.

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on statements, information and representations referred to in the Circular as well as information and representations provided to us by the Company. We have assumed that all such information and representations provided by the Company, for which the Directors are solely responsible, are true and accurate at the time when they were made. We have also assumed that all statements of belief, opinion, forecasts and intention made by the Company were reasonably made after due enquiry and careful consideration. At the time of writing, we have no reason to doubt the truth and accuracy of the information and representations provided to us and have been advised by the Company that no material facts have been withheld or omitted from the information provided and/or referred to in the Circular.

We consider that we have reviewed sufficient information to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have not, however, for the purpose of this exercise conducted any independent verification of the information included in the Circular and/or those provided to us by the Company nor have we conducted any form of investigation into the businesses, affairs of the Group.

As at the Latest Practicable Date, we did not have any relationship or interest with the Group that could reasonably be regarded as relevant to our independence. In addition, we have no interest in the Company or any of its associates during the past two years immediately preceding the Latest Practicable Date that could reasonably be regarded as relevant to our independence. As such, we are of the opinion that we are independent in relation to our acting as independent financial adviser to the Company in this regard.

---

## LETTER FROM ALLIANCE CAPITAL

---

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the New Master Supply Agreements and the New Master Purchase Agreements, we have considered the following principal factors and reasons:

#### Background of the Group

The Group is a distributor in the food ingredients and additives distribution industry with a focus on supplying food ingredients and food additives to food manufacturers in the PRC. The Group only sources food ingredients and food additives from suppliers and does not involve in production of the products the Group distributed. During the past years, the Group had entered into transactions where it purchased various products from Hi-Road, Hi-Road's subsidiaries and Teaheals.

#### Background of Hi-Road

Hi-Road is a joint-stock company incorporated in the PRC whose shares are listed on ChiNext of the Shenzhen Stock Exchange which is owned as to 43.2% by Mr. Huang and 28.8% by Mr. Huang Haihu (the brother of Mr. Huang).

Hi-Road is principally engaged in research and development, production and sales of its own brand's products which are mainly used by bakery chain enterprises for making bakery products.

The Group has been purchasing food ingredients and additives from Hi-Road and its subsidiaries for its own food ingredients and additives distribution business for a decade.

#### Background of Teaheals

Teaheals is a company established in the PRC with limited liability which is wholly-owned by Mr. Huang. It is principally engaged in research and development, processing, production and sales of agricultural and natural food ingredients, specialising in Matcha tea products. The Group has purchased various tea powder, herbal powder and fruit powder products from Teaheals for a decade.

---

## LETTER FROM ALLIANCE CAPITAL

---

### **Reasons for and benefits of the revision of the annual caps under each of the New Master Supply Agreements and the New Master Purchase Agreements**

The Group is a distributor in the food ingredients and additives distribution industry with a focus on supplying food ingredients and food additives to food manufacturers in the PRC. Therefore, trading of food ingredients and food additives is in the Group's ordinary and usual course of business.

The Board believes that the New Master Supply Agreements and the New Master Purchase Agreements will provide the Group with steady source of food ingredients and additives for sales and distribution which is in the ordinary course of business of the Group.

Relating to the New Master Supply Agreements, in particular that (i) it is the principal business of the Group in the distribution business for food ingredients and additives; (ii) the business relationship between the Group and Hi-Road and Teaheals are well-established; and (iii) the New Master Supply Agreements and the New Master Purchase Agreements allow the Group to continue to purchase and sell the necessary food ingredients and additives to and from Hi-Road as well as Teaheals, we concur with the view of the Directors that the New Master Supply Agreements and the New Master Purchase Agreements have been entered into in the ordinary and usual course of business of the Group.

On the New Master Purchase Agreements, the Group had also entered into transactions where it purchased various products from Hi-Road, Hi-Road's subsidiaries and Teaheals. As mentioned by the management of the Group, the Directors expect the Group will continue to increase the sales of products under existing and new distribution rights leading to increasing purchasing needs. Particularly, as disclosed in the Group's 2024 interim report, the Group's Asia-Pacific Innovation Center, with a total construction area of 40,816.13 sq. metres and expected to commence operation in early 2025, where they plan to set up food solutions laboratory, product incubation center with production lines, logistics, and sales functions. The Company considers the construction of the Asia-Pacific Innovation Center can further expand the Group's business, widen its portfolio of self-developed formulated products and potential food ingredients, which facilitates the Group's future development.

In view of expected increase of the Group's business, the New Master Purchase Agreements enables the Group to secure a stable supply of relevant products for its businesses at rates no less favourable than those offered by Independent Third Parties.

---

## LETTER FROM ALLIANCE CAPITAL

---

### Principal terms of the New Master Supply Agreements

<i>Parties</i>	<p>Seller — Shineroad Food, a wholly-owned subsidiary of the Company</p> <p>Purchasers — <i>For New Hi-Road Master Supply Agreement:</i></p> <p>Hi-Road</p> <p>— <i>For New Teaheals Master Supply Agreement:</i></p> <p>Teaheals</p>
<i>Subject Matter</i>	<p>The Seller agreed that it and/or its subsidiaries will sell and/or supply the following products to the respective purchaser(s) on a non-exclusive basis during the term of the relevant agreement:</p> <p><i>For New Hi-Road Master Supply Agreement:</i></p> <p>Sucrose esters, vanillin, condensed milk, frozen cream and other food ingredients and additives for manufacturing cream</p> <p><i>For New Teaheals Master Supply Agreement:</i></p> <p>non-dairy creamer, cheese powder, resistant dextrin and other food ingredients and additives for manufacturing tea beverage</p>
<i>Term</i>	<p>From 1 January 2025 to 31 December 2027</p>
<i>Condition(s)</i> <i>Precedent</i>	<p><i>For New Hi-Road Master Supply Agreement:</i></p> <p>The agreement is conditional upon (i) approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules; and (ii) approval by Hi-Road's board of directors, independent directors and/or shareholders (if applicable) pursuant to its articles of association and the listing rules of ChiNext of the Shenzhen Stock Exchange.</p>



---

## LETTER FROM ALLIANCE CAPITAL

---

*For New Teaheals Master Supply Agreement:*

The agreement is conditional upon approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules.

*Pricing policy*

Selling prices of the relevant products under the New Master Supply Agreements are calculated with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price.

The aforesaid "market price" shall be determined with reference to selling prices of the same product offered by the Seller (and/or its subsidiaries) to its third-party customers based on normal commercial terms and in the ordinary and usual course of business. The Group will compare the selling price offered to the relevant purchaser(s) with not less than three selling prices offered to its independent third-party customers with the same or comparable products with similar specifications (such as similar quantity, length of credit period and delivery method, etc.) to ensure the selling price offered to the relevant purchaser(s) are at the rates no more favourable than those offered to the Group's independent third-party customers.

*Payment manner*

The selling price, payment time and method, and other specific terms or conditions (if any) shall be fixed by relevant parties in the purchase order on a case-by-case basis.

### **Principal terms of the New Master Purchase Agreements**

*Parties*

Purchaser — Shineroad Food

Sellers — *For New Hi-Road Master Purchase Agreement:*

Hi-Road

— *For New Teaheals Master Purchase Agreement:*

Teaheals

---

## LETTER FROM ALLIANCE CAPITAL

---

<i>Subject Matter</i>	<p>The purchaser agreed that it and/or its subsidiaries will purchase the following products from the respective seller(s) on a non-exclusive basis during the term of the relevant agreement:</p> <p><i>For New Hi-Road Master Purchase Agreement:</i></p> <p>Food flavourings, chocolate, milk base, fruit jam and other food ingredients and additives for manufacturing plant protein drinks</p> <p><i>For New Teaheals Master Purchase Agreement:</i></p> <p>Tea powder, herbal powder and fruit powder products</p>
<i>Term</i>	<p>From 1 January 2025 to 31 December 2027</p>
<i>Condition(s)</i> <i>Precedent</i>	<p><i>For New Hi-Road Master Purchase Agreement:</i></p> <p>The agreement is conditional upon (i) approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules; and (ii) approval by Hi-Road's board of directors, independent directors and/or shareholders (if applicable) pursuant to its articles of association and the listing rules of ChiNext of the Shenzhen Stock Exchange.</p> <p><i>For New Teaheals Master Purchase Agreement:</i></p> <p>Effectiveness of the agreement is conditional upon approval by the Independent Shareholders in accordance with the requirements of the Company's articles of association and the Listing Rules.</p>
<i>Pricing policy</i>	<p>Purchase prices of the relevant products under each of the New Master Purchase Agreements are calculated with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price.</p>

---

## LETTER FROM ALLIANCE CAPITAL

---

The aforesaid “market price” shall be determined with reference to:

- (i) the prevailing market price of the same or similar product obtained from independent third-party suppliers in the same or neighbourhood regions based on normal commercial terms and in the ordinary and usual course of business. The procurement team of the Group shall communicate with at least three independent third-party suppliers to obtain their quotation slips after understanding their production capacity, supply and demand situation in the market and the recent transaction prices with them. The prices of the products under the New Teaheals Master Purchase Agreement will adopt this method;
- (ii) if (i) is not applicable, the procurement team of the Group shall communicate with at least three independent third-party suppliers to obtain their quotations after discussing with them on their production capacity, supply and demand situation in the market and recent transaction prices with them (if applicable). In the event that that is not applicable, the procurement team will research by sourcing information websites, primarily 1688.com, an online B2B trading platform under the Alibaba Group with a focus in the PRC domestic market and a widespread of users (including sellers which offer same or similar products across the country). This also allows the Group to get information on transaction prices of relevant products. The prices of food flavourings and other food ingredients and additives for manufacturing plant protein drinks under the New Hi-Road Master Purchase Agreement will adopt this method; or
- (iii) if both (i) and (ii) are not available, the procurement team of the Group shall obtain the selling prices of the same or similar products from the seller(s) to their third-party customers by requesting the standard pricing lists from such seller(s) upon commercial negotiations, purpose of which is to ensure products provided from the Seller(s) to the Group are at rates no less favourable than those offered to its/their respective third-party customers. The prices of chocolate, milk base and fruit jam under the New Hi-Road Master Purchase Agreement will adopt this method.

### *Payment manner*

The purchase price, payment time and method, and other specific terms or conditions (if any) shall be fixed by relevant parties in the purchase order on a case-by-case basis.

## LETTER FROM ALLIANCE CAPITAL

### The proposed annual caps of the New Master Supply Agreements

#### *Historical transaction amounts*

The historical transaction amounts from the sales by the Group for the two years ended 31 December 2023 and the eight months ended 31 August 2024, and the projected transaction amounts for the year ending 31 December 2024 under the Existing Master Supply Agreements are as follows:

#### *Historical transaction amounts:*

	For the year ended 31 December 2022 <i>RMB'000</i> (Audited)	For the year ended 31 December 2023 <i>RMB'000</i> (Audited)	For the eight months ended 31 August 2024 <i>RMB'000</i> (Unaudited)	For the year ending 31 December 2024 <i>RMB'000</i> (Unaudited)
Existing Hi-Road Master Supply Agreement	26,805.5	18,376.1	16,203.5	25,958.4
Existing Teaheals Master Supply Agreement	12.8	30.0	3.6	10.0
<b>Total</b>	<b>26,818.3</b>	<b>18,406.1</b>	<b>16,207.1</b>	<b>25,968.4</b>

Set out below are the proposed annual caps for the relevant transactions contemplated under the New Master Supply Agreements for the three years ending 31 December 2025, 2026 and 2027:

#### *Proposed annual caps:*

	For the year ended 31 December		
	2025 <i>RMB'000</i>	2026 <i>RMB'000</i>	2027 <i>RMB'000</i>
New Hi-Road Master Supply Agreement	29,867.9	35,841.4	43,009.7
New Teaheals Master Supply Agreement	30.0	45.0	67.5
<b>Total</b>	<b>29,897.9</b>	<b>35,886.4</b>	<b>43,077.2</b>

---

## LETTER FROM ALLIANCE CAPITAL

---

The proposed annual caps under the New Hi-Road Master Supply Agreement were estimated based on: (i) historical transaction amounts; (ii) the expected transaction amount for the year ending 31 December 2024 based on the received and anticipated orders; and (iii) the expected increase of demand from the Group for the years from 2025 to 2027 with a year-on-year growth of 15%, 20% and 20%, respectively.

For the year ended 31 December 2022 and 2023, the aggregate audited transaction amounts in respect of the transaction under the Existing Master Supply Agreements amounted to approximately RMB26.8 million and RMB18.4 million, representing a drop of 31%. This decline was primarily due to the Hi-Road's decision to cease purchasing imported frozen cream from the Group in 2023, resulting in reduced orders from the Hi-Road's customers for these products. However, given frozen cream is one of the key food ingredients for the production of cream which is used in the bakery food and cake, instead of purchasing imported frozen cream from the Group, Hi-Road ordered local frozen cream from the Group which cost less than that of the imported product. Accordingly, sales to Hi-Road for the year ending 31 December 2024 is expected to be higher compared to 2023 as Hi-Road did not purchase any frozen cream from the Group in 2023.

During the period from 1 January to 31 August 2024, the aggregate transaction mount (unaudited) in respect of the transactions under Existing Master Supply Agreements amounted to approximately RMB16.2 million. It is expected that the transaction amount for the year ending 31 December 2024 is estimated to be around RMB25.9 million, representing an increase of 41% compared to the year before. The estimated transaction amount for the year ending 31 December 2024 is an annualized historical sales amount for the full year, based on actual sales amounts for the eight months ended 31 August 2024 as well as confirmed orders received during the year. Considering the average amount for eight months ended 31 August 2024, we considered that the annualized amount is fair and reasonable.

As mentioned in the 2024 interim report of the Company, there is expected increase of demand for food ingredients and additives by Hi-Road and its subsidiaries following the completion of the Group's Asia-Pacific Innovation Center, which with a total construction area of 40,816.13 sq. metres and is expected to commence operation in early 2025, where the Group plans to set up food solutions laboratory, product incubation center, production lines, logistics, and sales functions. The construction of the Asia-Pacific Innovation Center will further expand the Group's business, widen the portfolio of its self-developed formulated products and potential food ingredients to be offered, and is beneficial to the Group's future development. On the other hand, as advised by the management, Hi-Road's expanded processing factoring and its new phrase of production bases is expected to put into use in mid-2025, resulting in an increase in production capacity as well. The food ingredients and additives supplied by the Group under the New Hi-Road Master Supply Agreement are mainly sucrose esters, vanillin, condensed milk and frozen cream and would be used by Hi-Road in its manufacturing process as raw materials. Accordingly,

## LETTER FROM ALLIANCE CAPITAL

the management expects the cooperation and the purchase from Hi-Road will grow further when production capacities of both parties increase, In assessing the reasonableness of the proposed annual caps for the relevant transactions contemplated under the New Master Supply Agreements for the three years ending 31 December 2025, 2026 and 2027, we have reviewed and discussed with the Company's management such annual caps (including their bases) provided by the Group and have been advised that such annual caps for the three years ending 31 December 2027 are mainly determined based on the historical transaction amounts as well as the projected year-on-year growth rate of 15%, 20% and 20% for the years from 2025 to 2027. Considering (i) the expected growth of annual transaction amounts in 2024 (ii) historical transaction amounts with the recorded year-on-year growth rate for 80%, -31% and 41% respectively from 2022 to 2024 and (iii) the expansion of the Group's Asia-Pacific Innovation Center and Hi-Road's production base in 2025 as mentioned above, we concur with the company that an estimated year-on-year growth rate of 15%, 20% and 20% on the proposed annual caps for three years ending 31 December 2027 under the New Master Supply Agreements to be fair and reasonable.

### The proposed annual caps of the New Master Purchase Agreements

#### *Historical transaction amounts*

The historical transaction amounts from the purchase by the Group for the two years ended 31 December 2023 and the eight months ended 31 August 2024, and the projected transaction amounts for the year ending 31 December 2024 under the Existing Master Purchase Agreements are as follows:

	For the year ended 31 December 2022 <i>RMB'000</i> (Audited)	For the year ended 31 December 2023 <i>RMB'000</i> (Audited)	For the eight months ended 31 August 2024 <i>RMB'000</i> (Unaudited)	For the year ending 31 December 2024 <i>RMB'000</i> (Unaudited)
Existing Hi-Road Master Purchase Agreement	3,197.2	7,940.6	3,139.3	4,704.0
Existing Teaheals Master Purchase Agreement	21,213.5	25,424.0	14,680.4	24,688.3
<b>Total</b>	<b>24,410.7</b>	<b>33,364.6</b>	<b>17,819.7</b>	<b>29,392.3</b>

---

## LETTER FROM ALLIANCE CAPITAL

---

Set out below are the proposed annual caps for the relevant transactions contemplated under the New Master Purchase Agreements for the three years ending 31 December 2025, 2026 and 2027:

*Proposed annual caps:*

	For the year ended 31 December		
	2025	2026	2027
	RMB'000	RMB'000	RMB'000
New Hi-Road Master Purchase Agreement	15,390.0	19,111.0	23,726.2
New Teaheals Master Purchase Agreement	29,626.1	35,551.3	42,661.5
<b>Total</b>	<b>45,016.1</b>	<b>54,662.3</b>	<b>66,386.7</b>

As discussed with the Group's management, the Proposed Annual Caps under the New Master Purchase Agreements were estimated based on: (i) historical transaction amounts; and (ii) expected annual growth rate of the purchase amount from 2025 to 2027 under New Hi-Road Master Purchase Agreement and New Teaheals Master Purchase Agreement, respectively.

In assessing the reasonableness of the proposed annual caps for the relevant transactions contemplated under the New Master Purchase Agreements for the three years ending 31 December 2025, 2026 and 2027, we have reviewed and discussed with the Company's management such annual caps (including their bases) provided by the Group.

For New Hi-Road Master Purchase Agreement, the estimated projected annual growth rate for the three years ending 31 December 2025, 2026 and 2027 is 24%. The historical transaction amount of Existing Hi-Road Master Purchase Agreement for 2022, 2023 and 2024 (expected) were approximately RMB3.2 million, RMB7.9 million and RMB4.7 million (expected) respectively, representing a growth rate of 148.4% and -40.8%, respectively. The estimated drop in the purchase of milk base products under the New Hi-Road Master Purchase Agreement for the year ending 31 December 2024 was because of the Group's adjustment of milk base product types from time to time depending on the customers' requirements. For instance, one of the Group's beverage customers ordered certain food ingredients in bulk for its new product in 2023. However, such customers ceased to order such products in 2024.

---

## LETTER FROM ALLIANCE CAPITAL

---

We understand from the Company that demand for certain food ingredients and additives such as food flavourings and cream base ingredients have increased steadily given the latter plays a crucial role in modern tea beverages. Unlike 2022 and 2023 where Shineroad Food mainly purchased food flavouring and cream from Hi Road, it is expected that around 70% of the purchases under New Hi-Road Master Purchase Agreement going forward would be for new products (i.e. dairy bases and fruits jam) for Shineroad Food's food services customers. Particularly, in the fruit tea category, a series of fruit jams has been launched. Based on management's estimates, with the newly introduced products to the market, demand for such purchases is expected to increase further in coming years.

As advised by the management, the Group continues to devote sales and marketing efforts to expand distribution to new customers of food and catering providers. We have obtained a list of over 25 target and potential new customers pursuant to which the Group will procure, among others, a new type of food ingredient (i.e. dairy bases) from Hi-Road for distribution purposes. Considering that the negotiation of the business cooperation is in an advanced stage, the Group estimated that the procurement amount of such dairy bases will reach approximately RMB10 million for the year ending 2025 with estimated year-on-year growth rate of 20%. Such dairy bases represent over 60% of the proposed annual cap for the three years ending 31 December 2027. Dairy bases are mostly used in milk-related beverages and is expected to grow further with increased market demand. This will lead to an expected increase in purchase amount of dairy-based compound with new customers in the coming three years. In our view, the projection of a year-on-year growth of 24% is not reasonable compared to the spike of 148.4% over the past three years.

For New Teaheals Master Purchase Agreement, the estimated projected annual growth rate for the three years ending 31 December 2025, 2026 and 2027 is 20%. The historical transaction amount of Existing Teaheals Master Purchase Agreement for 2022, 2023 and 2024 (expected) were approximately RMB21.2 million, RMB25.4 million and RMB24.7 million (expected) respectively, representing a growth rate of 20%% and -3%, respectively. The estimated transaction amount for the year ending 31 December 2024 is an annualized historical purchase amount for the full year, based on actual purchase amounts for the eight months ended 31 August 2024. Considering the amount in 2024 is stable compared to 2023, we considered that the annualized amount is fair and reasonable.

The Group has operations in China and South East Asia cities including Ho Chi Minh City, Vietnam, and Bangkok, Thailand and the products are mainly supplied to retail and restaurant customers in these locations. Although the operation had been hit by the pandemic in the past few years, the recovery of consumption and tourism since 2023 has benefited the beverage industry as



---

## LETTER FROM ALLIANCE CAPITAL

---

well as the Group's customers. Amid the rising popularity of tea beverages in the PRC, the market for tea powder, herbal powder, and fruit powder has grown in recent years, leading to an increased demand for Teaheals' products within the Group.

Furthermore, as tea is a traditional drink in China, freshly-made tea shop industry have experienced a rapid development and expansion in the country. According to the prospectus of Sichuan Baicha Baidao Industrial Co., Ltd<sup>1</sup> (Stock code: 2555.HK) which is a freshly-made tea drink company with over 8,000 stores in China, the market size of freshly-made tea shop industry increased from RMB80.5 billion in 2018 to RMB247.3 billion in 2023 with a CAGR of 25.2% and such market is expected to increase to RMB538.5 billion in 2028, representing a CAGR of 15.4% from 2024 to 2028. With increasing popularity of tea beverages in the PRC and customers' buying habits have become at anytime and anywhere through online platform, market for freshly-made tea shop and the demand of tea powder, herbal powder and fruit powder has been increasing in recent years, which in turn boosted the Group's demand over Teaheals' products.

Considering (i) the growth trend of the market of the Group's customers in the food and catering industry, demand for tea powder, herbal powder and fruit powder products is increasing and (ii) the historical growth rate of 20% from 2022 to 2023, the expected growth for annual cap of 20% from 2024 to 2027 is, in our view, fair and reasonable.

In summary, we are of the opinion that the proposed annual cap under the New Master Purchase Agreements are fair and reasonable.

### **Internal control procedure**

To ensure prices and payment terms of relevant products or services under the New Master Supply Agreements and the New Master Purchase Agreements are in line with the prevailing market practice, on normal commercial terms, fair and reasonable and no less favourable than available to/from (as the case may be) Independent Third Parties, and actual transaction amount will not exceed the proposed annual caps under the respective agreements, the Group has adopted the following internal control measures:

#### **(I) New Master Supply Agreements**

- (i) the business director from the commercial department of the Group would calculate the selling prices with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price as discussed above;

<sup>1</sup> <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0415/2024041500022.pdf>

---

## LETTER FROM ALLIANCE CAPITAL

---

- (ii) the finance department of the Group would closely monitor the transaction amounts under the New Master Supply Agreements to ensure that the proposed annual caps would not be exceeded. In addition, the chief financial officer would review the actual transaction amount quarterly;
- (iii) the independent non-executive Directors would review and confirm whether the transactions under the New Master Supply Agreements are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. They would conduct an annual review of the status of the transactions to ensure the Group has complied with the Listing Rules;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the transaction(s) under the New Master Supply Agreements would abstain from voting in respect of the resolution(s); and
- (v) the Company would continue to engage the independent auditors to review the transactions under the New Master Supply Agreements in compliance with the annual reporting and review requirements under the Listing Rules.

### **(II) New Master Purchase Agreements**

- (i) the procurement team of the Group is responsible for establishing the procedures of purchase prices management, to ensure that the pricing standard conforms to the market principle. The management of the Group would calculate the purchase prices with reference to the prevailing market prices of the same or comparable kind of products, or the price to be agreed between the parties after having considered the market price as discussed above;
- (ii) the head of the supply chain would monitor and review the pricing mechanism for the transactions under the New Master Purchase Agreements to ensure that the prices are determined on normal commercial terms, and report to the product management centre for it to confirm the prices are fair and reasonable. The product management centre would report to the Board on a quarterly basis regarding the actual trading situations and monetary amount of the transactions conducted during the quarter and the estimated amount in the following quarter to facilitate the Board to monitor the actual transaction amount, assess whether the proposed annual caps would be exceeded and approve the coming transactions under the New Master Purchase Agreements;

---

## LETTER FROM ALLIANCE CAPITAL

---

- (iii) the independent non-executive Directors would review and confirm whether the transactions contemplated under the New Master Purchase Agreements are entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. They would also conduct an annual review of the status of the transactions under the New Master Purchase Agreements to ensure the Group has complied with the Listing Rules;
- (iv) the Director(s) and/or the Shareholder(s) with an interest in the relevant transaction(s) would abstain from voting in respect of the resolution(s); and
- (v) the Company would continue to engage the independent auditors to review the transactions under the New Master Purchase Agreements in compliance with the annual reporting and review requirements under the Listing Rules.

We also note in the Company's Annual Report for the year ended 31 December 2023, the Company's auditors reported to the Company that, in respect of the continuing connected transactions carried out during the year ended 31 December 2023,

- (i) nothing had come to the attention of the auditor that causes them to believe that the continuing connected transactions have not been approved by the Board;
- (ii) for transactions involving the provision of goods or services by the Group, nothing had come to the attention of the auditor that would cause them to believe that the continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (iii) nothing had come to the attention of the auditor that would cause them to believe that the continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (iv) with respect to the aggregate amount of each of the continuing connected transactions, nothing had come to the attention of the auditor that causes them to believe that the continuing connected transactions had exceeded the annual caps as set by the Company.

---

## LETTER FROM ALLIANCE CAPITAL

---

Accordingly, we are of the view that the Group's historical continuing connected transactions were fair and reasonable and in the best interests of the Company and Shareholders as a whole. Furthermore, the management has also provided us with an extract of the Group's internal policies in relation to the internal control measures as to the relevant connected transaction concerned. It is noted that there is no change to the internal control procedures adopted by the Group for the connected transactions under the New Master Supply Agreements and the New Master Purchase Agreements.

We have discussed with the management of the Company and obtained and reviewed the connected transactions policy for the connected transactions under the New Master Supply Agreements and the New Master Purchase Agreements. We understand that the Company performed periodic review on the pricing for the goods sold by the Group to Hi-Road and Teaheals and those sold by the Group to other independent third party customers to ensure that the selling pricing of the goods sold by the Group to Hi-Road and Teaheals were no less favourable to the Group than those sold to other independent third party customers.

In terms of the transactions contemplated under the Existing Master Supply Agreements, we have, on sampling basis, selected the largest five orders in 2023 and the first eight months of 2024 sold to Hi- Road, respectively, and have compared the selling price to those transactions sold to the independent third parties of Shineroad Food (where applicable). From the above 10 samples reviewed, we noted the selling prices to Hi- Road and Teaheals of selected samples were comparable and no less favorable than the prevailing market price quoted to independent third parties. Given the historical transaction under the Existing Teaheals Master Supply Agreement were minimal (i.e. less than RMB13,000 and RMB50,000 of amount were sold to Teaheals in 2022 and 2023), we did not select any transaction from this category.

In terms of the transactions contemplated under the Existing Master Purchase Agreements, we have, on sampling basis, selected the largest five purchase orders from Hi- Road and Teaheals in 2023 and the first eight months of 2024, respectively, and we have compared the purchase price to those quotations obtained from the independent third parties of Shineroad Food (where applicable). From the above 20 samples reviewed, we noted the purchase prices from Hi- Road and Teaheals were comparable to the independent third parties (where applicable) and no less favorable than the prevailing market price quoted from the independent third parties.

Having considered the above factors, we are of the view that the New Master Supply Agreements and the New Master Purchase Agreements are in the interests of the Group and the Group's Shareholders as a whole and that their terms to be on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

---

## LETTER FROM ALLIANCE CAPITAL

---

### RECOMMENDATION

Having considered the above principal factors and reasons, we consider that the New Master Supply Agreements and the New Master Purchase Agreements are in the ordinary and usual course of business of the Group, and the terms of the New Master Supply Agreements and the New Master Purchase Agreements are on normal commercial terms, fair and reasonable and in the interests of the Group and the Group's Shareholders as a whole. Consequently, we advise the Independent Board Committee to recommend the Independent Shareholders, and recommend the Independent Shareholders, to vote in favour of the ordinary resolution to approve the New Master Supply Agreements and the New Master Purchase Agreements at the upcoming EGM.

Yours faithfully

For and on behalf of

**Alliance Capital Partners Limited**

**Danielle Yau**

*Director*

## 1. RESPONSIBILITY STATEMENT

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

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' interests and short positions in the Shares and the underlying Shares and debentures of the Company and its associated corporations as at the Latest Practicable Date

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company and their respective associates in the Shares, underlying Shares and debentures of the Company and/or its associated corporations which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed or taken to have under such provisions of the SFO); (b) to be and were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) to otherwise be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers adopted by the Company (the “**Model Code**”), were as follows:

#### (i) Long position in the Shares

Name of Director	Capacity/Nature	Number of Shares held/ interested in	Percentage of interest
Mr. Huang ( <i>Note</i> )	Interest in controlled corporation	510,000,000	75%

*(ii) Long position in the ordinary shares of associated corporations*

Name of Director	Name of associated corporation	Capacity/Nature	Number of Shares held/ interested in	Percentage of interest
Mr. Huang ( <i>Note</i> )	Ocean Town Company Limited ("Ocean Town")	Beneficial owner	1	100%
Mr. Huang ( <i>Note</i> )	Shineroad Group Limited ("Shineroad Group")	Interest in controlled corporation	1	100%

*Note:*

Mr. Huang beneficially owns the entire issued share capital of Ocean Town, which beneficially owns the entire issued share capital of Shineroad Group. Therefore, each of Mr. Huang and Ocean Town is deemed to be interested in 510,000,000 Shares held by Shineroad Group for the purpose of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company and their respective associates had or was deemed to have any interests, in the long position or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporations which was required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which he/she was taken or deemed to have under such provisions of the SFO); (b) which was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which was required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

**(b) Directors' service contracts**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any other member of the Group which will not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

**(c) Others**

Save as disclosed in this circular, as at the Latest Practicable Date:

- (i) none of the Directors had any interest, direct or indirect, in any asset which had, since 31 December 2023, being the date of the latest published audited accounts of the Company were made up, been acquired or disposed of by, or leased to, the Company or any member of the Group, or were proposed to be acquired or disposed of by, or leased to, the Company or any member of the Group; and
- (ii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at such date and which was significant in relation to the business of the Group taken as a whole.

**(d) Substantial Shareholders' interests and short positions in the Shares and the underlying Shares as at the Latest Practicable Date**

As at the Latest Practicable Date, so far as the Directors are aware, the following persons, other than the Directors or the chief executive of the Company, have beneficial interests or short positions in any Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name	Capacity/Nature	Number of Shares held/ interested in	Percentage of interest
Ocean Town ( <i>Note 1</i> )	Interest in controlled corporation	510,000,000	75%
Shineroad Group ( <i>Note 1</i> )	Beneficial owner	510,000,000	75%
Ms. Chen Dongying ( <i>Note 2</i> )	Interest of spouse	510,000,000	75%

*Notes:*

1. Such 510,000,000 Shares are held by Shineroad Group as a registered holder. The entire issued share capital of Shineroad Group is wholly-owned by Ocean Town. Therefore, Ocean Town is deemed to be interested in 510,000,000 Shares held by Shineroad Group for the purpose of the SFO.



2. Ms. Chen Dongying is the spouse of Mr. Huang and is therefore deemed to be interested in 510,000,000 Shares in which Mr. Huang has, or is deemed to have, for the purpose of the SFO.

Save as disclosed above, so far as was known to the Directors, as at the Latest Practicable Date, there was no other person (other than the Directors or chief executive of the Company) who had any interests or short positions in the Shares and the underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### **3. MATERIAL ADVERSE CHANGE**

The Directors confirmed that as at the Latest Practicable Date, there was no material adverse change in the financial or trading position or prospects of the Group since 31 December 2023, being the date of the latest published audited accounts of the Company were made up.

### **4. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claim of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

### **5. QUALIFICATION AND CONSENT OF EXPERT**

The following are the qualifications of the expert who has been named in this circular and whose advice or opinion are contained in this circular:

<b>Name</b>	<b>Qualification</b>
Alliance Capital Partners Limited	a licensed corporation under the SFO to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

As at the Latest Practicable Date, Alliance Capital did not have any shareholding, direct or indirect, in any member of the Group or any right or option, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Alliance Capital did not have any direct or indirect interests in any asset which have been acquired, or disposed of by, or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023.

Alliance Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters and reference to its names, in the form and context in which it is included.

## **6. DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

As at the Latest Practicable Date, none of the Directors and their respective associates has engaged in any business that competes or may compete, directly or indirectly, with the business of the Group, or has any other conflict of interest with the Group.

## **7. GENERAL**

- (a) The registered office of the Company is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong is located at Room 1603, 16/F, China Building, 29 Queen's Road Central, Central, Hong Kong.
- (c) The headquarter of the Company in the PRC is located at 25th Floor South, Block 1 Zhongyou Building, Lane 1040 Caoyang Road, Putuo District, Shanghai, PRC.
- (d) The company secretary of the Company is Mr. Ngai Tsz Hin Michael. Mr. Ngai is a practicing solicitor in Hong Kong.
- (e) The Company's branch share registrars and transfer office in Hong Kong is Tricor Investor Services Limited, of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (f) In case of any discrepancy, the English text of this circular shall prevail over the Chinese text.

**8. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.shineroad.com>) from the date of this circular up to and including the date which is 14 days from the date of this circular:

- (a) the New Hi-Road Master Supply Agreement;
- (b) the New Teaheals Master Supply Agreement;
- (c) the New Hi-Road Master Purchase Agreement; and
- (d) the New Teaheals Master Purchase Agreement.

---

## NOTICE OF EGM

---



### Shineroad International Holdings Limited

### 欣融國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1587)**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of Shineroad International Holdings Limited (the “**Company**”) will be held at 3rd Floor, Meeting Room, 666 Jindou Road, Shanghai, the PRC on Friday, 27 December 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

#### **ORDINARY RESOLUTIONS**

Words and expressions that are not expressly defined in this notice shall bear the same meaning as that defined in the circular dated 11 December 2024 published by the Company (the “**Circular**”).

1. “**THAT** (1) the New Hi-Road Master Supply Agreement dated 8 November 2024 (a copy of which has been produced to the EGM marked “A” and initialed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and (2) any one or more directors of the Company be and are hereby authorised to do all such things and execute all such documents as they in their absolute discretion deem fit or appropriate to give effect to the New Hi-Road Master Supply Agreement and the implementation of all the transactions contemplated thereunder.”
2. “**THAT** (1) the New Teaheals Master Supply Agreement dated 8 November 2024 (a copy of which has been produced to the EGM marked “B” and initialed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and (2) any one or more directors of the Company be and are hereby authorised to do all such things and execute all such documents as they in their absolute discretion deem fit or appropriate to give effect to the New Teaheals Master Supply Agreement and the implementation of all the transactions contemplated thereunder.”

---

## NOTICE OF EGM

---

3. “**THAT** (1) the New Hi-Road Master Purchase Agreement dated 8 November 2024 (a copy of which has been produced to the EGM marked “C” and initialed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and (2) any one or more directors of the Company be and are hereby authorised to do all such things and execute all such documents as they in their absolute discretion deem fit or appropriate to give effect to the New Hi-Road Master Purchase Agreement and the implementation of all the transactions contemplated thereunder.”
4. “**THAT** (1) the New Teaheals Master Purchase Agreement dated 8 November 2024 (a copy of which has been produced to the EGM marked “D” and initialed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby confirmed, approved and ratified; and (2) any one or more directors of the Company be and are hereby authorised to do all such things and execute all such documents as they in their absolute discretion deem fit or appropriate to give effect to the New Teaheals Master Purchase Agreement and the implementation of all the transactions contemplated thereunder.”

By order of the Board  
**Shineroad International Holdings Limited**  
**Huang Haixiao**  
*Chairman*

Hong Kong, 11 December 2024

*Notes:*

1. A form of proxy for use at the meeting is enclosed herewith.
2. Any member entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy needs not be a member of the Company.
3. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time for holding the meeting or adjourned meeting. Completion and return of the form of proxy shall not preclude members from attending and voting at the meeting and in such event, the instrument appointing to proxy shall be revoked.

---

## NOTICE OF EGM

---

4. For the purpose of identifying shareholders who are entitled to attend the meeting, the register of members of the Company will be closed from Friday, 20 December 2024 to Friday, 27 December 2024 (both days inclusive), during which no transfer of shares in the Company will be registered. In order to qualify for attending the meeting, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 19 December 2024.
5. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should you so wish, and in such an event, the form of proxy shall be deemed to be revoked.
6. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.