

CHINA SHENSHAN ORCHARD HOLDINGS CO. LTD.
(Incorporated in Bermuda)
(Company Registration No. 41457)

**SPECIAL GENERAL MEETING TO BE HELD ON 15 MARCH 2024
– RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED**

The board of directors ("**Board**" or "**Directors**") of China Shenshan Orchard Holdings Co. Ltd. ("**Company**") refers to its circular dated 22 February 2024 ("**Circular**") issued to its Shareholders in relation to, *inter alia*, the proposed transfer of the listing of the Company from the SGX Main Board to the Catalist ("**Proposed Transfer**") and the notice of special general meeting to be convened on 15 March 2024 to seek Shareholders' approval for, among others, the aforementioned Proposed Transfer.

Unless otherwise stated herein, all capitalised terms used in this Announcement shall have the same meanings ascribed to them in the Circular.

The Board would like to thank the Shareholder who submitted questions in advance of the SGM. Please refer to the Appendix for the Company's responses to the questions received from the Shareholder which are substantial and relevant to the SGM resolutions.

The Company looks forward to further engagement with Shareholders during the SGM.

By Order of the Board

Zhao Chichun
Executive Director and Chief Executive Officer

7 March 2024

APPENDIX – RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED

1. **In the latest financial report as of June 2023, the net asset value per share stands at approximately \$2.40, while the current share price is \$0.13. Despite consistently seeking extensions from SGX to meet MTP (Minimum Trading Price), it appears that the company has not undertaken substantial efforts to boost the share price. Could the board provide a detailed list of tangible actions taken to address this matter?**

The share price of the Company, as with all listed issuers, is ultimately determined by various factors outside of its control, such as trading liquidity, market sentiment, industry trends and macro-economic factors.

Prior to the Company being placed on the Watch-List in December 2019, the Company undertook a strategic review of investment and divestment opportunities in view of the Group's declining profitability and losses at the material time, and eventually entered into the acquisition of the kiwi business (which constituted a Very Substantial Acquisition) as well as the divestment of the lossmaking baijiu business in November 2018. These transactions were completed in July 2021 with the view for the Company to exit the Watch-List.

Further, as mentioned in the Company's Circular dated 22 February 2024, the Company made Outreach Efforts by working with various financial institutions to increase research coverage and taking part in investor presentations organised by stock brokerages.

The Group has been keeping and continues to keep all shareholders/stakeholders informed of its corporate activities on a timely and consistent basis in line with its ongoing disclosure obligations under the Listing Manual.

2. **The SGM contains two resolutions: (1) Transfer to Catalist and (2) Authority to allot shares. What does the second resolution entail? Are there any immediate plans by the company to expand its number of shares? Would it be more easier for the company's board to issue new shares if the company were transferred to Catalist rather than remaining on the Mainboard?**

The second resolution provides the Directors the authority to allot and issue new shares and convertible securities pursuant to the Bye-Laws of the Company and Rule 806 of the Catalist Rules, if the Proposed Transfer to Catalist is approved by shareholders.

Pursuant to Rule 806(2) of the Catalist Rules, the Company can obtain the mandate of shareholders to issue up to 100% of its share capital excluding treasury shares and subsidiary holdings (of which shares issued on a non-pro rata basis must not exceed 50%). This is to be contrasted with the more stringent thresholds applicable for Mainboard issuers pursuant to Rule 806(2) of the Main Board Rules, which is applicable to the Company's Existing Share Issue Mandate approved on 26 April 2023. More specifically, under the Company's Existing Share Issue Mandate, it can obtain the mandate of shareholders to issue up to 50% of its share capital excluding treasury shares and subsidiary holdings (of which shares issued on a non-pro rata basis must not exceed 20%). Please refer to 2.3(b) and 3.1 of the Company's Circular, for further details, including on the key differences of the Main Board Rules and the Catalist Rules.

The Company may contemplate additional fund raising exercises via the placement of shares as and when the opportunity arises, including without limitation in connection with acquisitions of assets. The Proposed General Share Issue Mandate in line with Catalist Rules with the wider parameters can enable the Company to respond faster to such business opportunities and to have greater flexibility and scope in negotiating with third parties in potential fund raising exercises or other arrangements. Notwithstanding the above, the Company will undertake share issuances (if any) in compliance with prevailing listing requirements. For instance, the Company will not issue shares pursuant to the Proposed New Share Issue Mandate without the prior approval of shareholders in a general meeting if such issuance would bring about a transfer of controlling interest.

The Company currently has no immediate plans to expand its number of shares.