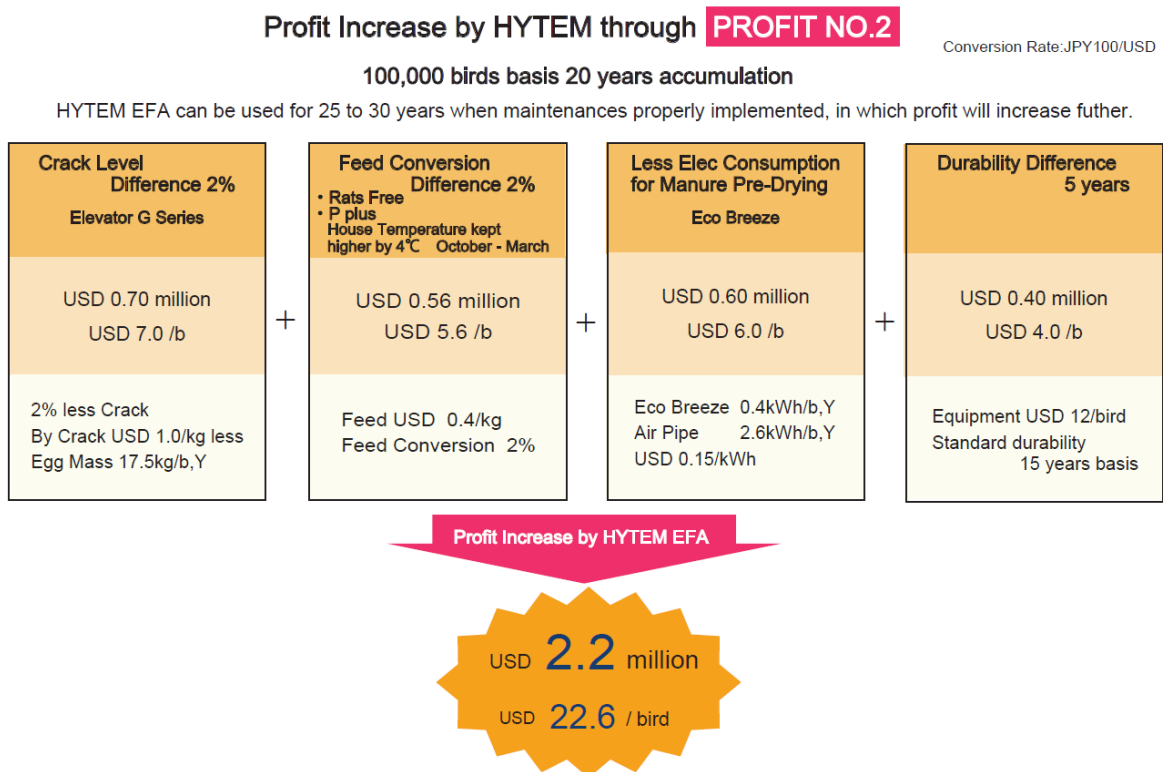


Importance of Profit No.2 to earn money at Egg Farm

At this issue, repeating the importance of Profit No.2 which has been well proved in Japan * by HYTEM EFA(Egg Farm Automation)'s more than 60% market share.

* Egg Kingdom with 340 eggs consumption per capita, highly efficient production by EFA /80% production by 300 egg farms and the high production performances.

The points of Profit No.2 is symbolically shown by the following table.



□ USD22 per bird is the bigger amount than the investment !!

Recently Chinese EFA manufacturers are trying to sell in Asian countries by the cheap price. Even in the cheap price, the difference to HYTEM price will not be more than USD 5 in apple to apple basis.

USD 5 is less than 1/4 of Profit No.2 USD 22.

And the difference needs to be considered in 20 years basis, that is yearly 25 cents difference since EFA needs to be used at least 20 years once invested unless otherwise it is big money even though 5 USD cheaper.

- Profit No.2 may not work in such investment for electronic parts, the demand of which after 10 years nobody knows.
Demand of eggs will be solid after even 20 or 30 years, which is the basics of Profit No.2.

- Among Profit No.2 factors, actual field data examples are as follows.

Example 1

| House | HYTEM House10 | | HYTEM House11 | | | B House7 | | F House6 | | |
|------------------------|-----------------|----------|-----------------|------|----------|-----------------|----------|-----------------|----------|----|
| Birds | 406(2022.11.11) | | 413(2022.11.10) | | | 428(2022.11.15) | | 450(2022.11.16) | | |
| Age | | | HL Brown | | | | | | | |
| Samples collected | cage | conveyor | cage | ER-G | conveyor | cage | conveyor | cage | conveyor | |
| Sample | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | 1000 | |
| Crack | Spider's web | 4 | 2 | 12 | 7 | 9 | 7 | 27 | 8 | 25 |
| | Stars / Lines | 7 | 6 | 6 | 8 | 8 | 8 | 20 | 10 | 24 |
| Sunken | Holes | 1 | 2 | 0 | 1 | 3 | 2 | 7 | 2 | 1 |
| | Depressed | 8 | 7 | 2 | 6 | 3 | 4 | 6 | 2 | 1 |
| Broken | 1 | 1 | 0 | 3 | 0 | 2 | 3 | 2 | 1 | |
| total | 21 | 18 | 20 | 25 | 23 | 23 | 83 | 24 | 52 | |
| Crack Ratio | 2.1% | 1.8% | 2.0% | 2.5% | 2.3% | 2.3% | 6.3% | 2.4% | 5.2% | |
| Difference Note 1 | -0.3% | | 0.3% | | | 4.0% | | 2.8% | | |
| Eggshell thickness(mm) | 0.278 | | 0.286 | | | 0.336 | | 0.297 | | |

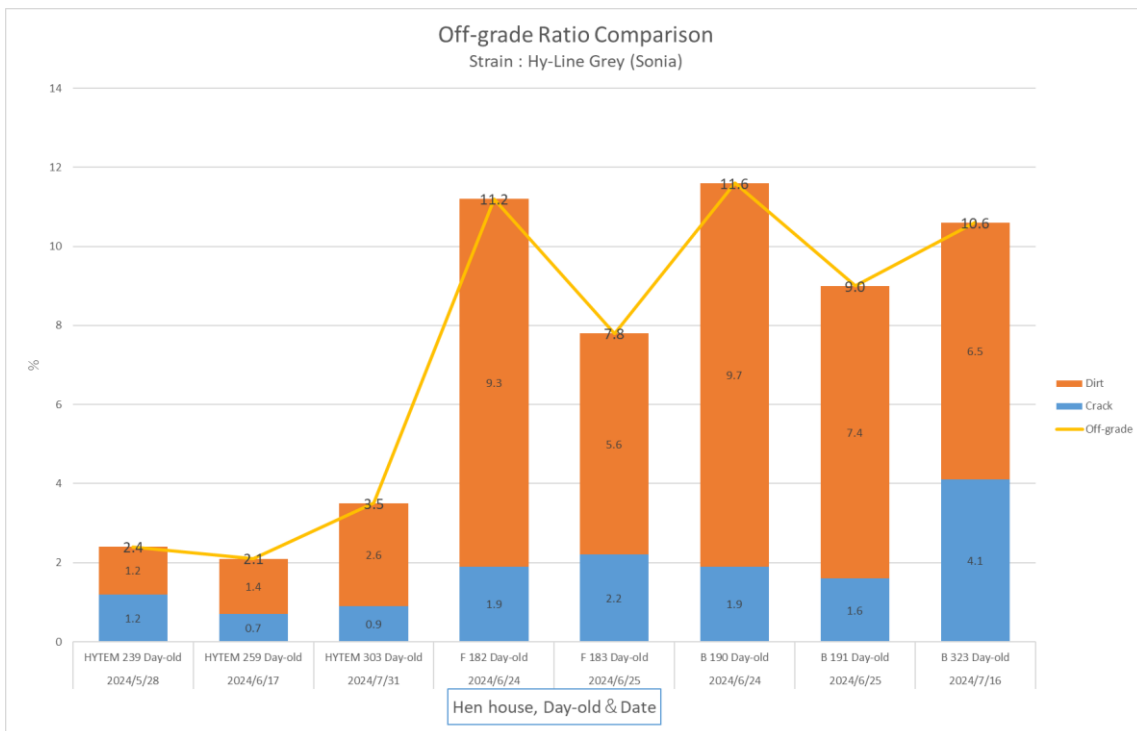
- Place: T farm
- Cage row: 8tiers 5rows length: 85.8m
105,600 birds/house
- Sample eggs were collected at,
 - In front of cage(i.e. on the egg belts):
1,000 eggs each. total 4,000 eggs
 - On the cross conveyor after Elevator
1,000 eggs each. total 4,000 eggs

For H11, 1,000 eggs were added on the conveyor in front of the packer
- Survey: Including Company B and Company F, 9,000 eggs were checked one by one carefully by transmitted lighting
- Surveyor: Zhu and Li, Jian

Note : Difference = Egg crack ratio on conveyor — Egg crack ratio In front of cage

Ultimate Zero crack !!

Example 2 Grader's Information at the same farm in Example 1



In both Examples, more or less 2 % crack difference can be recognized.
In Example 2, the substantial dirty egg ratio difference can be observed.

The cleaner eggs with far less dirty eggs are another advantage by HYTEM EFA, which are coming from the one step superior cage structure developed at HYTEM Egg House 21, and the one step superior Egg Collector.



Egg House 21

Since the belt battery system was started in Europe, the sound foundation of HYTEM Belt Battery was progressively developed at the Egg House 21 for ten years after 1987. Continuous efforts were made to solve problems such as fine cracks in eggs caused by hard flooring intended to get cleaner eggs without washing in Europe.

- In conclusion, when earning money is targeted in egg farm operations, EFA should be selected by **2 Groups Purchasing Policy**, and **never by prices !!**

2 Groups Purchasing Policy is essential to earn money In egg farm operations

- 1** Purchase by price Purchase at lower prices, as low as possible, such items as materials which can be changed the next month.
- 2** Purchase by Performance & Quality / **Profit No.2**
EFA (Egg Farm Automation) cannot be changed for more than 20 years once purchased.



Through Profit No.2, HYTEM shall continue the best endeavors to be **EFA Leader in Asia** where 60% world population is.

