

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.*



凤祥食品

**SHANDONG FENGXIANG CO., LTD.**

山東鳳祥股份有限公司

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

**(Stock Code: 9977)**

## **QUARTERLY UPDATE ON RESUMPTION PROGRESS**

This announcement is made by Shandong Fengxiang Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 1 February 2023, 18 April 2023, 26 April 2023, 5 May 2023, 1 August 2023, 27 August 2023, 11 September 2023, 20 September 2023, 6 October 2023 and 9 October 2023 (collectively, the “**Announcements**”) in relation to, among others things, (i) the close of the Offers and the insufficient public float of the Company; (ii) the suspension of trading in the H Shares with effect from 9:00 a.m. on 2 February 2023; (iii) the waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 1 February 2023 to 31 August 2023, and such extension to 31 December 2023 for the Company to restore its minimum public float; (iv) the resumption guidance from the Stock Exchange received by the Company on 25 April 2023 (the “**Resumption Guidance**”); (v) the quarterly updates on resumption progress; (vi) the Subscription; (vii) the Disposal; and (viii) the Further Disposal. Unless otherwise defined herein or where the context otherwise requires, capitalised terms shall have the same meanings as those set out in the Announcements.

## **UPDATE ON RESUMPTION PROGRESS**

Pursuant to Rule 13.24A of the Listing Rules, the board of directors of the Company (the “**Board**”) wishes to update the Company’s shareholders and potential investors that, as at the date of this announcement, the latest developments of the Group and the progress of fulfilling the Resumption Guidance are as follows:

### **Business Operations**

The Group produces and sells processed chicken meat products and raw chicken meat products mainly from white-feathered broilers. The main products include (i) processed chicken meat products; (ii) raw chicken meat products; (iii) chicken breeds; and (iv) others. Apart from its leading domestic market position in the PRC, the Group has an established and growing export business supplying a wide range of premium quality chicken meat products to overseas customers in Japan, Malaysia, Europe, the Middle East, Korea, Mongolia and Singapore.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material aspects notwithstanding the suspension of trading in the H Shares. Please refer to the Company’s announcement dated 31 October 2023 for details of the latest business developments regarding the Group for the third quarter of 2023.

### **Status on the Restoration of Public Float**

In order to satisfy the Resumption Guidance, the Company has been taking appropriate steps to restore its public float as required under Rule 8.08(1)(a) of the Listing Rules and resume the trading in H Shares as soon as practicable. The Board resolved to allot and issue not more than 300,000,000 new H Shares to parties who are not connected persons and would constitute the public shareholders of the Company at an issue price of not lower than HKD1.5132 per H Share, and the specific mandate was approved by the shareholders of the Company at the annual general meeting, and the class meetings of the holders of H Shares and domestic Shares held on 19 May 2023.

The Company entered into two subscription agreements on 26 August 2023, pursuant to which the Company allotted and issued 182,618,000 H Shares to two subscribers, representing approximately 11.54% of the issued share capital of the Company as at the date of this announcement. Please refer to the Company’s announcements dated 27 August 2023 and 11 September 2023 for details of the Subscription.

In order to assist the Company in restoring its public float in compliance with the relevant requirement under the Listing Rules, the Offeror completed sales of 80,520,000 H Shares, representing approximately 5.09% of the issued share capital of the Company as at the date of this announcement. Please refer to the Company’s announcements dated 20 September 2023 and 6 October 2023.

To the best knowledge, information and belief of the Directors, as at the date of this announcement, 395,110,395 H Shares, representing approximately 24.97% of the issued Shares, are held by the public (within the meaning of the Listing Rules), which is below 25% of the total issued share capital of the Company held by the public as prescribed by Rule 8.08(1)(a) of the Listing Rules.

The Company applied to, and the Stock Exchange granted on 3 October 2023, an extension of waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period commencing from 1 September 2023 to 31 December 2023. The Company and its controlling shareholder are continuously proactively formulating and finalising workplans for restoration of public float and seeking for potential investors to subscribe or purchase the Company's H Shares.

### **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the H Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 February 2023. Trading in the H Shares will remain suspended until further notice.

The Company will publish further announcement(s) to inform the shareholders of its progress in complying with the Resumption Guidance, the status of restoration of the minimum public float requirement, as well as quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

**The Company would like to remind the shareholders and potential investors of the Company to rationally deal with any information not officially released by the Company and to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Shandong Fengxiang Co., Ltd.**  
**Zhu Lingjie**  
*Chairman*

Shandong, the PRC, 1 November 2023

*As at the date of this announcement, the Board comprises Mr. Xiao Dongsheng and Mr. Shi Lei as executive directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive directors.*