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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)

**ANNOUNCEMENT PURSUANT TO
RULE 13.18 OF THE LISTING RULES**

This announcement is made by Shandong Fengxiang Co., Ltd. (the “**Company**”) pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 2 November 2023, the Company, as the borrower, and syndicate members, as the lender (the “**Lender**”), entered into a working capital syndicate loan agreement (the “**Loan Agreement**”) in relation to the provision of a working capital loan facility by the Lender to the Company in an aggregate maximum principal amount of RMB960 million, for a loan granting period commencing from the date of signing of the Loan Agreement to 31 May 2024. The loan will be used to repay loans and for the Company’s daily working capital.

Pursuant to the Loan Agreement, the Company undertakes that, (i) no change of control of the controlling shareholder of the Company shall occur during the term of the loan (change of control refers to the existing controller’s loss of control in the Company and their direct and indirect consolidated shareholdings being less than 50% through share transfers, bond market transactions, capital increases and share enlargements, mergers and acquisitions and concerted party agreements); or (ii) no external pledge of the equity of the Company held by the controlling shareholder of the Company shall be made, except where it has been considered and approved by the syndicate loan agent.

If violation of the relevant undertakings under the Loan Agreement occurs and leads to an event of default, the syndicate loan agent may cease the drawing of all or part of the loan funds that has been requested in a drawdown notice but not yet been drawn; cancel all or part of the commitments; declare that all or part of the loan balance, together with all accrued interest, expenses and other amounts under the Loan Agreement be immediately due and payable in advance.

As at the date of this announcement, Falcon Holding LP is the controlling shareholder of the Company and holds approximately 71.41% of the Company's issued share capital.

Continuing disclosure pursuant to Rule 13.21 of the Listing Rules will also be made in subsequent interim and annual reports of the Company as long as the circumstances giving rise to the obligation under Rule 13.18 of the Listing Rules continue to exist.

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

Shandong, the PRC, 2 November 2023

As at the date of this announcement, the board of directors of the Company 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.