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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)

**INSIDE INFORMATION
POSITIVE PROFIT ALERT**

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

The Company wishes to inform its shareholders (the “**Shareholders**”) and potential investors that, based on the information currently available and the preliminary assessment of the Group’s latest unaudited consolidated management accounts for the six months ended 30 June 2023 (the “**2023 Interim Results**”), the Group is expected to record a net profit of approximately RMB80 million as compared to the net loss of approximately RMB71 million for the six months ended 30 June 2022. The board of directors of the Company (the “**Board**”) believes that the expected turnaround in profit in the first half of 2023 was mainly attributable to (i) the Group’s continuous improvement in its operational efficiency, resulting in a decrease in breeding costs and sales and marketing expenses; (ii) the Group’s further deepening of its channels penetration, leading to a relatively substantial growth in sales revenue from the new export business of processed chicken meat products and the major customers’ food and beverage business of the Group; and (iii) an increase in average selling price of chicken meat products resulting in an increase in the Group’s profit due to the recovered consumption in the first half year.

As at the date of this announcement, the Group is still in the process of finalising the 2023 Interim Results. The information contained herein is only based on a preliminary assessment of the information currently available to the Company's management and such information have not been confirmed and reviewed by the Company's audit committee and have not been audited or reviewed by the Company's auditors.

Shareholders and potential investors are advised to read carefully the interim results announcement for the 2023 Interim Results, which is expected to be released before the end of August 2023.

Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.

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

Shandong, the PRC, 11 July 2023

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