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)

VOLUNTARY ANNOUNCEMENT
UPDATE ON BANKRUPTCY LIQUIDATION OF GMK FINANCE

References are made to the announcements of Shandong Fengxiang Co., Ltd. (the "**Company**") dated 28 March 2022, 5 May 2022, 19 July 2022, 17 November 2022, 31 July 2023, 19 January 2024 and 15 March 2024 (the "**Announcements**"). Unless otherwise defined herein or where the context otherwise requires, capitalised terms shall have the same meanings as those set out in the Announcements.

As mentioned in the Announcements, certain subsidiaries of GMK Holdings had overdue debts. Among such subsidiaries, GMK Finance was involved in overdue repayment disputes, pursuant to which civil complaints were being filed against it by the plaintiffs and the guarantors for the debts concerned in those cases, GMK Holdings and/or certain of its subsidiaries were also named as defendants. The Judicial Restructuring was then filed against Xiangguang Copper, a subsidiary of GMK Holdings with the Liaocheng Intermediate People's Court, Shandong Province, PRC, by a creditor on the ground that Xiangguang Copper was unable to repay the debts falling due. The People's Court of Yaanggu County, Shandong Province, PRC, as appointed to hear the case, subsequently accepted the application of Judicial Restructuring of 19 companies, including GMK Holdings, Fengxiang Group and Fengxiang Investment (each a former controlling shareholder) and Xiangguang Copper (but for the avoidance of doubt, does not include the Company). The first creditors' meeting was held on 15 March 2024 at Yanggu County People's Court.

Pursuant to the court order, the Xiangguang Copper No. 1 Reorganisation Services Trust* (祥光銅業1號重整服務信託) ("**Trust 1**") and Xiangguang Copper No. 2 Reorganisation Services Trust* (祥光銅業2號重整服務信託) ("**Trust 2**") serve as management platforms for the assets and shareholding interests of the above said companies, respectively, the corresponding trust units (the "**Trust Units**") of which, shall be used as liquidation distribution to the creditors. Both trusts are jointly held by Kunlun Trust Co., Ltd.* (昆侖信託有限責任公司) and Yunnan International Trust Co. Ltd* (雲南國際信託有限公司).

Recently, the Company was informed by the Administrator that according to the court order, the Company is entitled to receive the relevant liquidation assets of (i) cash amounting to RMB27,786,153.44, (ii) 679,686,612.67 Trust Units under Trust 1, with corresponding value of its underlying assets being RMB138,246,740.07; and (iii) 679,686,612.67 Trust Units under Trust 2, with corresponding value of its shareholding interests held being RMB27,458,480.71.

As at the date of this announcement, the Administrator distributed the above liquidation assets. There is no guarantee that the Trust Units can be realised due to the uncertainty of the liquidity and market value of the Trust Units. The Company will discuss and confirm with its auditors on the accounting treatment, and make further announcement on any material updates regarding this matter as and when appropriate.

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

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

Shandong, the PRC, 19 December 2024

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.

* *For identification purpose only*