

*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)**

## **VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE**

This announcement is made by Shandong Fengxiang Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide the shareholders and potential investors of the Company with the latest business developments regarding the Group for the third quarter of 2021.

For the third quarter of 2021, the Group achieved unaudited total revenue of approximately RMB1,175.4 million, representing an increase of 18.8% as compared to approximately RMB989.0 million for the third quarter of 2020, and an increase of 10.0% as compared to approximately RMB1,069.0 million for the second quarter of 2021. For the nine months ended 30 September 2021, the Group achieved unaudited total revenue of approximately RMB3,144.9 million, representing an increase of 8.8% as compared to approximately RMB2,890.2 million for the nine months ended 30 September 2020.

In terms of channels: the new retail business for the third quarter of 2021 achieved sales revenue of approximately RMB274.9 million, representing an increase of 35.8% as compared to approximately RMB202.5 million for the third quarter of 2020, and an increase of 2.8% as compared to approximately RMB267.5 million for the second quarter of 2021; the new centralised procurement business for the third quarter of 2021 achieved sales revenue of approximately RMB239.7 million, representing an increase of 17.8% as compared to approximately RMB203.5 million for the third quarter of 2020, and an increase of 1.5% as compared to approximately RMB236.2 million for the second quarter of 2021; the new export business for the third quarter of 2021 achieved sales revenue of approximately RMB262.8 million, representing an increase of 22.2% as compared to approximately RMB215.1 million for the third quarter of 2020, and an increase of 41.1% as compared to approximately RMB186.2 million for the second quarter of 2021.

In terms of products: the sales volume of processed chicken meat products for the third quarter of 2021 was approximately 29,000 tons, representing an increase of 24.5% and 10.3% as compared to the corresponding period in 2020 and the second quarter of 2021, respectively; revenue from sales of processed chicken meat products was approximately RMB631.8 million, representing an increase of 34.9% and 6.9% as compared to the corresponding period in 2020 and the second quarter of 2021, respectively. The sales volume of raw chicken meat products for the third quarter of 2021 was approximately 54,000 tons, representing an increase of 9.2% and 23.5% as compared to the corresponding period in 2020 and the second quarter of 2021, respectively; revenue from sales of raw chicken meat products was approximately RMB495.5 million, representing an increase of 4.8% and 18.4% as compared to the corresponding period in 2020 and the second quarter of 2021, respectively. The non-core business, including chicken breeds, for the third quarter of 2021 achieved sales revenue of approximately RMB48.1 million.

In the third quarter of 2021, the Group's product structure was further optimised, with revenue from processed chicken meat products of approximately RMB631.8 million, representing an increased proportion of 53.7% in the Group's revenue. Revenue from online and offline sales of the "iShape (優形)" brand was approximately RMB149.2 million, representing an increase of 124.6% as compared to approximately RMB66.4 million for the third quarter of 2020, and a decrease of 8.3% as compared to approximately RMB162.6 million for the second quarter of 2021.

**The board of directors of the Company (the "Board") hereby reminds the shareholders and potential investors of the Company that the above announcement is made based on unaudited operational data of the Group and the information to the extent available to the Group and such data or information has not been audited or reviewed by the Company's auditor or the Company's audit committee. Differences may arise between such figures and the disclosure in subsequent results announcements, financial reports and/or other relevant corporate materials.**

**The content of this announcement does not constitute profit alert or profit warning, and is only for the cautious reference of the shareholders and potential investors of the Company.**

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

By order of the Board  
**Shandong Fengxiang Co., Ltd.**  
**Liu Zhiguang**  
*Chairman*

Shandong, the PRC  
29 October 2021

*As at the date of this announcement, the Board comprises Mr. Liu Zhiguang, Mr. Xiao Dongsheng and Mr. Wang Jinsheng as executive directors, Mr. Liu Xuejing, Mr. Zhang Chuanli and Mr. Ow Weng Cheong as non-executive directors, and Mr. Guo Tianyong, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive directors.*