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China Haisheng Juice Holdings Co., Ltd.

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 0359)**

#### **INSIDER INFORMATION**

- 1. Announcement on the latest progress of the company's Bankruptcy Restructuring**
- 2. Announcement on the latest production and operating status of the company**
- 3. Announcement on Extending of suspending period of stock Trading**

This announcement is made by China Haisheng Juice Holdings Limited (the “**Company**”, Together with its subsidiaries collectively referred to as the “**Group**”) under Section 13.09(2) (a) of the Securities Listing Rules of the Stock Exchange of Hong Kong Limited (“**SEHK**”) (the “**Listing Rules**”) and the Inside Information

provisions (as defined in the Listing Rules) under Section XIVA of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

### **The latest progress of the company's Bankruptcy Restructuring**

After the Shaanxi Provincial High People's Court issued the civil ruling document [(2023) Shaanxi Break No. 1] on March 3, 2023, rejecting the reconsideration applications of six banking and financial institutions, the acceptance of Shaanxi Haisheng's subsidiary companies, including Shaanxi Modern Fruit Industry Group Co., Ltd., and nine other affiliated companies by the Xi'an Intermediate People's Court as the second batch of companies to be included in the substantive merger bankruptcy restructuring remains valid. On May 18, 2023, the First Creditors' Meeting after the Merger and Restructuring of Shaanxi Haisheng Fruit Industry Development Co., Ltd. and 11 other companies (hereinafter referred to as "the Meeting") was held at the Intermediate People's Court of Xi'an, with the supervision of the court. The company (debtor), the bankruptcy administrator, and the creditors attended the meeting. The Meeting conducted a non-venue vote on the four report proposals submitted by the administrator, which included the "Property Management Plan," "Self-Operation Plan," "Non-Core Property Price Adjustment Plan in Restructuring," and "Subsequent Creditors' Meeting Call and Voting Plan." Additionally, on-site explanations were provided regarding objections and queries raised by some creditors.

Due to the expansion of the merger and restructuring, the workload has increased for the integration, sorting, summarizing, and voting on the "Non-Core Property Liquidation Plan" approved by the creditors' meeting. The administrator is now intensifying and organizing the specific execution work related to the business situation, asset status, creditor's rights and debts, litigation, and arbitration of the entities involved in the restructuring. The company's management is actively engaging in discussions and negotiations with potential investors through various channels for the purpose of restructuring investment. Some have already signed confidentiality agreements, and due diligence investigations will be initiated in the near future.

### **The latest production and operating status of the company**

The main business of the company is divided into fruit juice processing (“processing sector”) and fruit cultivation (“agricultural sector”).

As of the end of the second quarter, the company's processing sector has continued its business model for 2022, which involves OEM processing to six factories and leasing two factories. All OEM agreements and lease agreements have been signed and completed. Each factory has conducted pre-startup inspections, cleaning, and debugging of all equipment, and has also organized pre-production training for factory personnel. The preparations for startup are now complete. The factory teams have conducted research on the supply of raw materials from production areas, and the results indicate that there is more raw

materials for processing to compare with last crop. As a result, it is expected that the processing volume will increase accordingly, leading to greater processing revenue for the company. The company will gradually commence production according to the funding status of the clients. Based on the production and operational plan established at the beginning of the year, the company will promptly revise and update the operating budget in response to the actual signing of processing agreements and receipt of orders. It is anticipated that the overall processing sector will achieve a significant turnaround and modest profitability during the 2023 crop. The company may resume self-operated processing production based on the availability of disposable funds. By further exploring potential cost reductions, enhancing bargaining power, and consolidating and maintaining high-quality customer resources, the company aims to achieve greater benefits. Additionally, the company's Pectin business in Dangshan continues to exhibit strong operational performance, with high-quality products, abundant customer resources, and stable market demand, which will continue to contribute positive turnovers to the company.

As of the end of the second quarter, the company's agricultural sector primarily operates apple cultivation (11,000 mu), cherry (1,000 mu), and citrus (8,500 mu), with varying quantities of blueberries and facility agriculture crops such as tomato. Since last year, the company has actively pursued business adjustment strategies such as streamlining, improving quality and efficiency, and using shares to offset debts, which have already shown significant results.

Additionally, as the company enters the reorganization stage, through prior disposals, divestment of assets for cash realization, and continued reduction of non-core staff, it has not only greatly reduced unnecessary expenses but also brought valuable cash flow, ensuring the basic investment needed for the sustainable operation of the company's agricultural sector. The business situation is gradually improving. Specifically, the company's northern apple project is less affected by the weather. The main apple production areas in the southern region have effectively controlled pests and diseases due to the spring drought, resulting in ideal flowering and fruit setting. In addition, early market availability and good quality are favorable factors, making the apple project expected to achieve better benefits compared to 2022. The company's cherry project mainly consists of late-maturing varieties, thus avoiding the adverse effects of low temperatures and heavy rains since this spring. The fruit quality is considered superior in the core production areas in China, and the selling price in major channels is higher than imported cherries. In terms of the citrus project, benefiting from the market competitiveness of the "Orah" and "Tango" varieties, the product demands exceeds supply. Overall, in the agricultural sector, there will be steady revenue growth in 2023. If no major extreme natural disasters or uncontrollable factors occur in the later period, there is a possibility of significantly narrowing losses, even achieving break-even or slight profits.

From the perspective of the overall company's operations, through more than a year of active adjustments and continuous optimization, the business situation

has gradually shown a positive and favorable development trend of stabilizing, recovering, and rebounding.

### **Extending of suspending period of stock Trading**

The company is always concerned the upcoming 18th full month of trading suspension for "China Haisheng" stock on September 30, 2023. As per the rules of the HKEX, regulatory authorities may take actions to terminate or delist the stock. However, considering the current circumstances, we are still unable to fulfill the requirements for trading resumption. We kindly request investors to stay updated with the company's future information disclosures through official platforms.

Therefore, the Company applies to extend suspending trading of the Company's stock.

This announcement is hereby made.

**Investors are kindly reminded to pay attention to possible investment risks.**

承董事會命

By order of the board of directors

**Haisheng Juice Holding Co. LTD**

Chairman and Executive Director

**Gao Liang**

Xi'an, People's Republic of China, June 30, 2023

As of the date of this announcement, the Executive Director is Mr. Gao Liang; The independent nonexecutive directors are Mr. Zhao Boxiang and Mr. Liu Zhongli.