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# 上海大生農業金融科技股份有限公司

Shanghai Dasheng Agriculture Finance Technology Co., Ltd.

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1103)**

## **QUARTERLY UPDATE ON STATUS OF RESUMPTION AND CONTINUED SUSPENSION OF TRADING**

This announcement is made 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).

Reference is made to the announcements of Shanghai Dasheng Agriculture Finance Technology Co., Ltd. (上海大生農業金融科技股份有限公司) (the “**Company**” and its subsidiaries collectively, the “**Group**”) dated (i) 29 April 2022 and 3 April 2023 in relation to the resumption guidance and additional resumption guidance issued to the Company by the Stock Exchange; (ii) 10 May 2022, 10 August 2022, 10 November 2022, 10 February 2023 and 10 May 2023 in relation to, among other things, the quarterly updates on status on resumption and continued suspension of trading; and (iii) 29 September 2022, 1 February 2023, 9 March 2023, 15 March 2023, 10 April 2023 and 12 June 2023 in relation to the bankruptcy restructuring progress of the Company (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

### **APPROVAL OF RESTRUCTURING PROPOSAL**

The bankruptcy restructuring investors (the “**Bankruptcy Restructuring Investors**”) have submitted to the Administrator a Restructuring Proposal, which includes an investment from the Bankruptcy Restructuring Investors to the Company for the settlement of debts.

On 9 June 2023, the Court issued a civil ruling to approve the Restructuring Proposal submitted by the Bankruptcy Restructuring Investors and confirm that the Bankruptcy Restructuring procedure of the Company has been terminated in accordance with Clauses 2 and 3 of Article 87 of the Enterprise Bankruptcy Law. The Court approved the Restructuring Proposal after taking into account the following factors:

- (i) the Restructuring Proposal was duly approved by the majority of the class of creditors including (a) creditors of employee claims; (b) creditors of tax claims; (c) creditors of ordinary claims; and (d) the Bankruptcy Restructuring Investors;
- (ii) the secured claims of the secured creditors group shall be settled with pledged assets, rights of which have not been substantially damaged, and therefore, complies with the provisions of the Enterprise Bankruptcy Law; and
- (iii) the business plan is feasible, and therefore, the approval of the Restructuring Proposal is conducive to safeguarding the interests of all creditors and the interests of the Company's shareholders.

According to the Restructuring Proposal, creditors of secured claims and ordinary claims of the Company would be entitled to elect between cash consideration or loan capitalisation of H Shares on a pro rata basis based on the amounts of their claims confirmed by the Court under the Bankruptcy Restructuring and the total amount of the ordinary claims.

## **PROGRESS OF THE BANKRUPTCY RESTRUCTURING**

Pursuant to the Restructuring Proposal approved by the Court, the settlement of the debts of the Company through cash consideration and loan capitalization of H shares shall be enforced after the resumption of trading of the H shares of the Company on the Stock Exchange (the "**Resumption**") and completed concurrently according to the following approaches:

- (i) the Bankruptcy Restructuring Investors are required to provide up to RMB18 million for the Bankruptcy Restructuring pursuant to the Restructuring Proposal within 90 days after the Resumption;
- (ii) the creditors of ordinary claims were entitled to opt between cash consideration or loan capitalisation of H shares; and
- (iii) all the claims must be settled via cash consideration or loan capitalization of H shares concurrently upon Resumption.

Upon the completion of the Restructuring Proposal with the reduction of debt in accordance with the implementation of the Restructuring Proposal, the Company will no longer bear its responsibility for the repayment of debts relieved by the Bankruptcy Restructuring.

As at the date of this announcement, the Group has entered into (a) long-term contracts for the supply of soil remediation fertilizer and soil remediation service for a period from three to five years with seven customers at an aggregate amount of approximately RMB215 million (value-added tax inclusive) per annum; and (b) short-term contracts for the supply of compound microbial fertilizer for five months with two customers at an aggregate amount of approximately RMB7 million (value-added tax inclusive), respectively. The Group has received confirmed purchase orders of approximately RMB22.7 million as at the date of this announcement.

With the support of its creditors and the Bankruptcy Restructuring Investors, the Group has successfully steadily revived its business operations. The Bankruptcy Restructuring of the Company, if successfully implemented, will achieve the following:

- (i) business operations of the Group to continue that would satisfy the requirements under Rule 13.24 of the Listing Rules;
- (ii) an issue of new shares for debt capitalisation;
- (iii) all claims against, and liabilities of, the Company (other than the normal operating liabilities incurred during the ordinary course of business operations of the Group, such as daily operating expenses and administrative expenses) will be discharged and compromised in full in accordance with the bankruptcy restructuring proposal submitted by the Bankruptcy Restructuring Investors to the Administrator; and
- (iv) the resumption of trading in the H Shares.

## **CONTINUED SUSPENSION OF TRADING**

The trading of H Shares of the Company has been suspended from 11 February 2022. The H Shares will remain suspended until further notice.

**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  
**Shanghai Dasheng Agriculture Finance Technology Co., Ltd.**  
**Lan Huasheng**  
*Chairman*

Shanghai, PRC, 16 August 2023

*As at the date of this announcement, the Board comprises two executive directors: Mr. Lan Huasheng and Mr. Wang Liguo; one non-executive director: Mr. Lu Tingfu; and three independent non-executive directors: Mr. Chung Cheuk Ming, Mr. Yang Gaoyu and Mr. Wang Yanlong.*