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**Chongqing Hongjiu Fruit Co., Limited**

**重慶洪九果品股份有限公司**

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

**(Stock code: 6689)**

**QUARTERLY UPDATE ON STATUS OF RESUMPTION  
RESIGNATION OF COMPANY SECRETARY AND AUTHORISED  
REPRESENTATIVE  
RESIGNATION AND REAPPOINTMENT OF H SHARE REGISTRAR  
AND  
NON-COMPLIANCE WITH LISTING RULES**

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Chongqing Hongjiu Fruit Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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).

References are made to the announcements of the Company dated March 19, 2024, March 28, 2024, April 16, 2024, April 17, 2024, June 20, 2024, August 28, 2024, September 25, 2024, December 19, 2024 and April 16, 2025 (collectively, the “**Announcements**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise specified.

**UPDATE ON THE OPERATIONS OF THE GROUP**

The Board wishes to provide the following update to the Shareholders and potential investors of the Company in respect of the operations of the Group.

## Restrictive Measures imposed by the PSB

As set out in the Announcement dated April 16, 2025, due to an investigation (the “**Investigation**”) initiated by the Public Security Bureau of Liangjiang New Area in Chongqing City (the “**PSB**”) related to suspected loan fraud and/or the issuance of false value-added tax invoices (the “**Incident**”), different restrictive measures have been imposed on the Group and/or its directors and other key personnel since January 6, 2025 (“**Restrictive Measures**”), including:

- (i) adoption of different criminal coercive measures against various key personnel of the Group, including but not limited to Mr. Deng Hongjiu, Ms. Jiang Zongying, Mr. Peng He, Mr. Yang Junwen and Ms. Tan Bo (all of which are executive directors of the Company) and Ms. Yu Lixia (the chairman of the supervisory committee of the Company) (the “**Investigated Individuals**”). Such criminal coercive measures vary for each of the Investigated Individuals, with measures imposed including but not limited to summons for questioning for some of the individuals and arrest for some other individuals; and
- (ii) restriction of access by police cordon at one of the Company’s principal place of business at 22nd and 24th Floors, Block B, CREG Fenghui International, 3 Donghu South Road, Yubei District, Chongqing, and confiscation of the Company’s chops, books and records.

In order to maintain the integrity and the completeness of the evidence for the Investigation, the PSB has also requested the Investigated Individuals to refrain from using their email accounts, WeChat accounts and other communication channels during the Investigation, which has prevented the Group from operating its usual administrative and compliance functions.

The Group is principally engaged in the whole industrial chain operation of fruits, delivering fresh fruit products from local orchards to national retail terminals through sales and distribution network and end-to-end supply chain system. As the Restrictive Measures have prevented the use of one of its principal place of business and prohibited the use of certain IT infrastructure of the Group, the Restrictive Measures have led to disruption to the normal business operation of the Group. As the Restrictive Measures did not affect the operations of the branch offices, subsidiaries and regional staff of the Group, to minimize the disruption to its business operations, the Group’s branch offices, subsidiaries and regional staff have continued their own operations as usual and have also acted as agents of the Company and utilised the Group’s business network to maintain the Group’s business operations during the period.

Based on the latest understanding of the Board, the Investigation stemmed from reports filed by certain banks (as the Group's creditors) with the PSB concerning outstanding bank loans (the "**Loans**") that remains due and unpaid to date.

### **Latest Status of the Restrictive Measures**

As the Investigation of the PSB progresses, the Restrictive Measures against the Group and certain personnel in April 2025 have been lifted and eased gradually, and as at the date of this announcement, save that Mr. Deng Hongjiu and Mr. Peng He, being executive Directors, and two other personnel remained under arrest, all other Restrictive Measures have been lifted and/or eased against the Group, and the Investigated Individuals are allowed to continue participating in the operation of the Group.

As a result of the lifting of the Restrictive Measures, the Group is in the process of resuming its normal business operation, including re-consolidating and integrating the Group's operations previously conducted by the branch offices, subsidiaries and regional staff when the Restrictive Measures were in place back into the Company's existing operational structure. The management team of the Company is working diligently to gradually resume the daily operations of the Company.

Furthermore, with a view to resolve the Incident and prevent any accusation of wrongdoings on the part of the Group and/or its personnels in connection with the Loans, the Group is currently negotiating with the banks in order to agree on a repayment plan for the settlement of the Loans.

### **The Proposed Restructuring**

As a result of the suspension in trading of the H shares of the Company, a portion of the creditors has focused on expediting the collection of debts from the Group, leading to increasing difficulty faced by the Group in terms of its financial liquidity. Furthermore, the dampened consumer sentiment in the past year as well as the disruption of the Group's operations resulting from the Restrictive Measures has affected the Group's revenue and available cash flow. This has led to recent difficulty of the Group to repay debts owed by the Group as they fall due. As disclosed in the circular of the Company dated April 24, 2025 and the announcement of the Company dated May 15, 2025, the Company has therefore sought a pre-restructuring and restructuring mandate from the Shareholders with the intention to negotiate and effect a debt restructuring plan with its existing creditors.

It is anticipated by the Group that by agreeing to a restructuring proposal with its creditors, the Group may prevent further escalation of debts and avoid the devaluation and disposition of assets resulting from any liquidation and/or winding up proceedings whilst safeguarding the legitimate rights and interests of both the Shareholders, creditors and other stakeholders of the Group. Through negotiating its creditors during the pre-restructuring and restructuring phase, the Group aims to extend the repayment terms, lower interest rates or suspend interest accrual, or explore options such as debt-to-equity swaps to reduce the Company's debt burden and optimize its capital structure.

Notwithstanding the proposed restructuring of the Group, the Group's business operations are in the process of resuming to the level prior to the implementation of the Restrictive Measures, and the Group does not anticipate that the pre-structuring and/or restructuring of the Group will affect its normal business operations.

## **QUARTERLY UPDATE ON STATUS OF RESUMPTION**

The Board also wishes to provide the following update to the Shareholders and potential investors of the Company on the progress of the Company's fulfilment of the Resumption Guidance as at the date of this announcement.

### **Publication of outstanding financial information**

During the first quarter of 2025, the Restrictive Measures have affected the Company's ability to continue its work with the auditors and professional advisers to prepare and finalise Annual Results, 2023 Annual Report, 2024 Interim Results, 2024 Interim Report, the annual results for the year ended December 31, 2024 (the "**2024 Annual Results**") and the annual report for the year ended December 31, 2024 (the "**2024 Annual Report**").

Since the lifting of most of the Restrictive Measures in April 2025, the Group has resumed contact with its auditors and professional advisers with an intention to finalise and publish the Annual Results, 2023 Annual Report, 2024 Interim Results, 2024 Interim Report, 2024 Annual Results and 2024 Annual Report as soon as practicable.

### **Independent Investigation and Internal Control Review**

As a result of the Restrictive Measures, the Company has been unable to contact the investigation consultant or the internal control consultant to proceed with the Investigation or the Internal Control Review during the first quarter of 2025.

Nonetheless, since the lifting of most of the Restrictive Measures in April 2025, the Group has reached out to the investigation consultant and internal control consultant with a view to complete the investigation and Internal Control Review as soon as practicable.

## **Other updates**

The Company is taking appropriate steps to comply with the Resumption Guidance and will seek to resume trading of its shares as soon as possible. Whilst the Restrictive Measures have affected the Group's progress in the first quarter of 2025, the Company will keep the Shareholders and potential investors informed of the latest progress as and when appropriate and will announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

## **RESIGNATION OF JOINT COMPANY SECRETARY AND AUTHORISED REPRESENTATIVE**

The Board wishes to announce that Ms. Lai Siu Kuen (“**Ms. Lai**”) has resigned as a joint company secretary of the Company with effect from March 17, 2025 taking into account the most recent review of the Company and the internal policies of Tricor Services Limited. Ms. Lai has also resigned from her role as the authorised person of the Company to accept service of process and notice in Hong Kong under Rule 19.05(2) of the Listing Rules (the “**Authorised Representative**”) with effect from March 17, 2025.

Ms. Lai confirmed that she had no disagreement with the Board and there is no matter that needs to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The Board would like to express its gratitude to Ms. Lai for her contribution to the Company during her tenure of service.

## **NON-COMPLIANCE WITH LISTING RULES**

Following the resignation of Ms. Lai as a joint company secretary, the remaining company secretary of the Company, Ms. Deng Haoyu, does not possess the requisite qualifications under Rule 3.28 of the Listing Rules.

As a result of the resignation of Ms. Lai as the Authorised Representative, the Company will not be able to meet the requirement under (i) Rule 19.05(2) of the Listing Rules in connection with the appointment of a person authorised to accept service of process and notices on behalf of the Company in Hong Kong and (ii) Rule 3.05 of the Listing Rules in connection with the appointment of two authorized representatives who will act as the principal channel of communication with the Stock Exchange.

In view of this, the Company will identify a suitable candidate to fill the vacancy resulting from Ms. Lai's resignation as soon as practicable in accordance with the requirements of the Listing Rules to ensure compliance by the Company with Rules 3.05, 3.28 and 19.05(2) of the Listing Rules. The Company will make further announcement as and when appropriate.

## **RESIGNATION AND REAPPOINTMENT OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

The Board further wishes to announce that Computershare Hong Kong Investor Services Limited has resigned as the Hong Kong Branch Share Registrar and Transfer Office of the Company on Friday, March 28, 2025, and has been re-appointed as Hong Kong Branch Share Registrar and Transfer Office of the Company on Tuesday, April 22, 2025.

## **CONTINUED SUSPENSION OF TRADING**

Trading in the H shares of the Company on the Stock Exchange was halted with effect from 1:28 p.m. on Wednesday, March 20, 2024 and will continue to be suspended, pending the fulfilment of the Resumption Guidance and the grant of approval of the Stock Exchange for the resumption of trading of the Shares. Shareholders and potential investors should exercise caution when dealing in the H shares or other securities of the Company.

By order of the Board  
**Chongqing Hongjiu Fruit Co., Limited**  
**Jiang Zongying**  
*Executive Director and general manager*

Chongqing, the PRC  
May 20, 2025

*As at the date of this announcement, the Board comprises Mr. Deng Hongjiu as the chairman of the Board and an executive Director, Ms. Jiang Zongying, Mr. Peng He, Mr. Yang Junwen and Ms. Tan Bo as executive Directors and Ms. Xu Kemei, Mr. Peng Song and Mr. An Rui as independent non-executive Directors.*