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China Feihe Limited

中國飛鶴有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6186)

CONTINUING CONNECTED TRANSACTION NL47 PROCUREMENT FRAMEWORK AGREEMENT

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On 14 October 2025, Feihe HLJ and North Latitude 47 entered into the NL47 Procurement Framework Agreement, pursuant to which Feihe HLJ agrees to directly or indirectly (through its subsidiaries) procure certain agricultural products from North Latitude 47 and/or its subsidiaries from 14 October 2025 to 31 December 2027.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, North Latitude 47 is substantially controlled by Mr. Leng Youbin, an executive Director, chairman of the Board and chief executive officer, and the controlling shareholder (as defined under the Listing Rules) of the Company. Therefore, North Latitude 47 is an associate of Mr. Leng Youbin and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the NL47 Procurement Framework Agreement and the transactions contemplated thereunder constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the annual caps for the transactions contemplated under the NL47 Procurement Framework Agreement exceeds 0.1% but is less than 5%, the NL47 Procurement Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements but are exempted from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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The principal terms of the NL47 Procurement Framework Agreement are set out below:

Date:	14 October 2025
Parties:	Feihe HLJ (or through its subsidiaries), as the Purchaser North Latitude 47 and/or its subsidiaries, as the Vendor
Nature of transaction:	Feihe HLJ agrees to directly or indirectly (through its subsidiaries) procure certain agricultural products from North Latitude 47 and/or its subsidiaries during the term of the NL47 Procurement Framework Agreement. Such agricultural products include rice, cooking oil and other grains.
Term:	14 October 2025 to 31 December 2027
Pricing and other terms:	The Purchaser and the Vendor will enter into separate purchase orders which will set out the specific terms and conditions (including the payment terms) according to the principles provided in the NL47 Procurement Framework Agreement. The price of the products to be procured by Feihe HLJ or its subsidiaries shall be no less favourable than the market price of such products at the time when the individual purchase order is entered into. The market price shall be determined in accordance with (i) the price and terms of products of the same type and quality quoted by no less than two independent suppliers on normal commercial terms in the ordinary course of businesses in the PRC; or (ii) in the event that (i) is inapplicable, it shall be determined by both parties to the NL47 Procurement Framework Agreement on fair and reasonable basis and on normal commercial terms and credit terms.

HISTORICAL TRANSACTION AMOUNTS AND ANNUAL CAPS

The historical transaction amounts in respect of the procurement of products by Feihe HLJ and/or its subsidiaries from North Latitude 47 and/or its subsidiaries for the three years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025 were approximately nil, RMB0.5 million, RMB11.0 million and RMB4.5 million, respectively.

The annual caps for the transactions contemplated under the NL47 Procurement Framework Agreement for the years ending 31 December 2025, 2026 and 2027 are RMB100 million, RMB180 million and RMB210 million, respectively.

In arriving at the above proposed annual caps, the Directors have taken into account a number of factors, in particular:

- (i) the historical transaction amounts for the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025;
- (ii) the estimated quantity of the relevant products required by Feihe HLJ and/or its subsidiaries, taking into account:
 - a. the current number of registered members on the Group's e-commerce platform, and the estimated growth in membership during the following three years based on the business expansion plan of the Group;
 - b. the estimated demand of products to be purchased or redeemed by such members, especially considering that the Group's promotional activities launched in 2025, which have positioned rice as a staple food, significantly boosting the sales of rice and other agricultural products on the Group's e-commerce platform, and that the promotional activities have been further ramped up by the Group in the second half of 2025; and
 - c. number and scale of planned gifting campaigns as expected by the Group in the following three years and the expected portion of agricultural products to be purchased from North Latitude 47 and/or its subsidiaries; and
- (iii) the estimated market price of the relevant products based on historical trend, and a reasonable buffer to account for fluctuation in the price and inflation.

INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES

The Group will adopt the following internal control procedures and corporate governance measures for the procurement of agricultural products from North Latitude 47 and/or its subsidiaries:

- (a) Before the Group enter into transactions under the NL47 Procurement Framework Agreement, the business department of the Group will obtain relevant market price of the relevant agricultural products and compare with the price offered by North Latitude 47 and/or its subsidiaries, and ensure that the terms of the transactions are on normal commercial terms, and are fair and reasonable.

- (b) The finance department of the Group will cross check the pricing of transactions under the NL47 Procurement Framework Agreement to ensure that the continuing connected transactions under the NL47 Procurement Framework Agreement are conducted in accordance with the pricing terms thereof, including reviewing the transaction records of the Group for the procurement of similar agricultural products from independent suppliers, as the case may be.
- (c) The legal and risk management department of the Group will regularly convene relevant functional departments to hold meetings to discuss issues in the transactions under the NL47 Procurement Framework Agreement and recommendations for improvement.
- (d) The finance department of the Group will summarize the transaction amounts incurred under the NL47 Procurement Framework Agreement regularly and submit reports to the management of the Group. The management and the relevant departments of the Company can be informed of the status of the continuing connected transactions in a timely manner such that the transactions can be conducted within the annual caps.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group has from time to time purchased the relevant agricultural products from North Latitude 47 and its subsidiaries and other suppliers, so that the customers of the Group may purchase or redeem such products via the Group's e-commerce platform.

North Latitude 47 and its subsidiaries have provided stable supply of the relevant products in accordance with the quality requirements and standards as required by the Group and is familiar with the Group's needs. In addition, customer demand for these products has increased significantly in 2025. Maintaining a consistent supply is beneficial to the Group's marketing activities. Having taken into account the prices quoted by North Latitude 47 and/or its subsidiaries as compared to those quoted by independent suppliers, the Directors consider that it is beneficial to the Group to continue to procure the relevant products from North Latitude 47 and/or its subsidiaries. The Directors (including independent non-executive Directors) are of the view that the transactions contemplated under the NL47 Procurement Framework Agreement are in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, North Latitude 47 is substantially controlled by Mr. Leng Youbin, an executive Director, chairman of the Board and chief executive officer, and the controlling shareholder (as defined under the Listing Rules) of the Company. Therefore, North Latitude 47 is an associate of Mr. Leng Youbin and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the NL47 Procurement Framework Agreement and the transactions contemplated thereunder constitute a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

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Mr. Leng Youbin had abstained from voting on the Board resolution to approve the continuing connected transaction under the NL47 Procurement Framework Agreement due to his shareholding in North Latitude 47. Save as disclosed above, none of the other Directors has a material interest in the continuing connected transaction mentioned above which would require them to abstain from voting on the relevant Board resolution.

GENERAL INFORMATION ON THE PARTIES

Information on the Group

The Company is an exempted company incorporated in the Cayman Islands with limited liability on 26 October 2012, whose shares are listed on the Main Board of the Stock Exchange. The Group is primarily engaged in the production and sale of dairy products and raw milk, and sale of nutritional supplements.

Information on Feihe HLJ

Feihe HLJ is a limited liability company established in the PRC on 21 August 1996 and a wholly owned subsidiary of the Company. Feihe HLJ is primarily engaged in the production and distribution of infant milk formula products.

Information on North Latitude 47

North Latitude 47 is a limited liability company established in the PRC on 7 June 2021. North Latitude 47 is principally engaged in the cultivation, manufacturing and sales of agricultural products.

As at the date of this announcement, North Latitude 47 is substantially controlled by Mr. Leng Youbin.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below, unless the context requires otherwise:

“Board”	the board of directors of the Company
“Company”	China Feihe Limited, an exempted company incorporated in the Cayman Islands with limited liability on 26 October 2012
“connected person”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	director(s) of the Company
“Feihe HLJ”	Heilongjiang Feihe Dairy Co., Ltd.* (黑龍江飛鶴乳業有限公司), a limited liability company established in the PRC on 21 August 1996 and a wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NL47 Procurement Framework Agreement”	the agreement dated 14 October 2025 entered into between Feihe HLJ and North Latitude 47 relating to the procurement of products by Feihe HLJ and/or its subsidiaries from North Latitude 47 and/or its subsidiaries
“North Latitude 47”	Heilongjiang North Latitude 47 Green Organic Food Co., Ltd.* (黑龍江北緯四十七度綠色有機食品有限公司), a limited liability company established in the PRC on 7 June 2021
“PRC”	the People’s Republic of China excluding, for the purposes of this announcement, the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Feihe HLJ and/or its subsidiaries
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	North Latitude 47 and/or its subsidiaries
“%”	Per cent

By Order of the Board
China Feihe Limited
LENG Youbin
Chairman

Beijing, China, 14 October 2025

As at the date of this announcement, our executive directors are Mr. LENG Youbin, Mr. LIU Hua, Mr. CAI Fangliang and Ms. Judy Fong-Yee TU; our non-executive directors are Mr. GAO Yu, Mr. Kingsley Kwok King CHAN, Mr. CHEUNG Kwok Wah and Mr. Maher EL-OMARI (alias: Mac); and our independent non-executive directors are Ms. LIU Jinping, Mr. SONG Jianwu, Mr. FAN Yonghong and Mr. Jacques Maurice LAFORGE.

* For identification purposes only