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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)**

## **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF FINANCIAL PRODUCT**

### **SUBSCRIPTION OF FINANCIAL PRODUCT**

We refer to the announcements of the Company dated 30 December 2024, 24 September 2025 and 16 December 2025, in relation to, among other things, the subscription of certain wealth management and structured deposit financial products of CITIC Bank by the Group (the “**Subscription of CITIC Financial Products**”).

The Board announces that on 18 December 2025, Feihe HLJ, a wholly-owned subsidiary of the Company, subscribed for certain wealth management financial product offered by CITIC Bank with an amount of RMB300 million, using its idle funds (the “**Subscription of Xinyin Product**”). The key terms of the Subscription of Xinyin Product are set out in the table below:

<b>Subscription Date</b>	<b>Product Name</b>	<b>Principal Amount Subscribed (in RMB)</b>	<b>Expected Annual Return Rate %</b>	<b>Maturity Date</b>	<b>Type of Product</b>	<b>Investment Scope</b>
18 December 2025	Xinyin Wealth Management Allwin Xiangzhiying Fixed Income Stable Profit Closed-ended Wealth Management Product No. 331 (信銀理財全盈象智贏固收穩利封閉331號理財產品)	300,000,000	2.40%-2.90%	16 December 2026	Non-principal guaranteed with floating return	Fixed income assets

As at the date of this announcement, the aggregated outstanding principal amount of the Group’s wealth management and structured deposit financial products subscribed from CITIC Bank was RMB2,500,000,000.

## **BASIS OF DETERMINATION FOR THE CONSIDERATION**

The Directors confirmed that the consideration of the Subscription of Xinyin Product was determined on the basis of commercial terms negotiated at arm's length between the Group and CITIC Bank, having considered (i) the current available surplus cash of the Group for treasury management purpose; and (ii) the expected investment return and terms of the relevant product.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION OF XINYIN PRODUCT**

Using temporary idle funds reasonably and effectively will enhance the capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity and meet the capital needs of the Group's daily operations and dividend payment, etc. The risk associated with the Subscription of Xinyin Product is low, while the Company can enjoy a relatively higher return from investments in the Subscription of Xinyin Product than current savings or time deposits generally offered by commercial banks in the PRC.

The Directors considered that the terms and the transactions contemplated under the agreements in respect of the Subscription of Xinyin Product are fair and reasonable, on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole.

The Group has implemented adequate and appropriate internal control procedures to ensure the Subscription of Xinyin Product would not affect the working capital or the operations of the Group, and that such investment would be conducted on the principle of protecting the interests of the Company and its Shareholders as a whole.

## **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 CITIC Bank**

CITIC Bank is a joint stock limited company incorporated in the PRC, whose H shares and A shares are listed on the Stock Exchange (stock code: 998) and Shanghai Stock Exchange (stock code: 601998), respectively. CITIC Bank provides a full range of financial products and services to its customers nationwide, with corporate banking, personal banking and financial market operations as its principal businesses.

As at the date of this announcement, to the best knowledge and belief of the Directors and having made all reasonable enquiries, CITIC Bank and its ultimate substantial beneficial owners as publicly disclosed by CITIC Bank are independent third parties of the Company and its connected persons.

## **LISTING RULES IMPLICATIONS**

As (i) the Subscription of CITIC Financial Products and the Subscription of Xinyin Product are made between the Group and CITIC Bank, and (ii) when making the Subscription of Xinyin Product, some of the wealth management and structured deposit financial products subscribed under the Subscription of CITIC Financial Products remain outstanding, pursuant to Rule 14.22 of the Listing Rules, such transactions shall be aggregated. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules), on an aggregate basis, in respect of the Subscription of CITIC Financial Products and the Subscription of Xinyin Product exceeds 5% but is less than 25%, such transactions constitute discloseable transactions of the Company for the purpose of the Listing Rules and are subject to the notification and announcement requirements but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

The Company should have complied with the relevant notification and announcement requirements under Rule 14.34 of the Listing Rules in respect of each of the subscriptions of the wealth management financial products as and when such obligations arose. The Company regrettably acknowledges that it has failed to timely comply with the Listing Rules due to its unintentional oversight. The Board has always put great emphasis on the importance of complying with the Listing Rules and the risk assessment of its wealth management financial products.

## **REMEDIAL ACTIONS**

The Company deeply regrets its non-compliance with the Listing Rules but it would like to stress that such non-compliance was inadvertent and unintentional. The Company has no intention to withhold any information relating to the subscriptions of the wealth management financial products from disclosure to the public. In order to prevent similar cases from occurring in the future, the Company has implemented the following remedial actions:

- i. the Company has conducted a comprehensive review and examination of the subscription of wealth management and structured deposit financial products and will publish an announcement regarding the subscription of wealth management financial products pursuant to Rule 14.34 the Listing Rules;
- ii. the Company will strengthen the training provided to the responsible staff in the finance department of the Company, especially the relevant requirements under Chapters 14 and 14A of the Listing Rules;
- iii. the Company will further emphasize the importance of compliance with the Listing Rules and, with the assistance of its legal advisers, the Company will offer more regular training on the relevant requirements for aggregating similar transactions conducting with the same parties and will remind the responsible staff in the finance department of the Company, senior management of the Company and Directors of such requirements such that they can effectively identify circumstances which may trigger any disclosure obligation under the Listing Rules; and

- iv. the Company will (a) strengthen the coordination and reporting arrangements for notifiable transactions within the Group to reduce human clerical error, (b) designate specific employees to monitor the transaction amount of any transactions falling into the definition under Rule 14.04(1) of the Listing Rules, (c) strengthen review and crosscheck of the calculation of the relevant size tests within the finance department of the Company, and (d) arrange for a monthly review of the Company’s financial assets breakdown by the finance department of the Company.

Going forward, the Company will strictly monitor its subscription of wealth management financial products and make proper disclosure in a timely manner to ensure compliance with the Listing Rules.

## 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
“CITIC Bank”	China CITIC Bank Corporation Limited (中信銀行股份有限公司)
“CITIC Financial Products”	the wealth management and structured deposit financial products issued by CITIC Bank and subscribed by the Company, which were disclosed in the announcements of the Company dated 30 December 2024, 24 September 2025 and 16 December 2025
“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., Limited* (黑龍江飛鶴乳業有限公司), a company established in the PRC on 21 August 1996 and a wholly-owned subsidiary of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“independent third party(ies)”	an individual(s) or a company(ies) who or which, to the best knowledge and belief of the Directors and having made all reasonable enquiries, is(are) not a connected person of the Company within the meaning of the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“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
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	Per cent

By Order of the Board  
**China Feihe Limited**  
**LENG Youbin**  
*Chairman*

Beijing, China, 19 December 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*